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*** De Klerk Eased Way To Prenegotiations**

34000489A Cape Town THE ARGUS
in English 23 Feb 90 p 20

[Commentary by Tos Wentzel: "Setting the Stage for the Foreplay"]

[Text] President De Klerk has now opened the way to the start of pre-negotiations, or "talks about talks". This has happened with his acceptance of the ANC [African National Congress]'s offer to have talks about the obstacles to the start of negotiations.

In its statement in Lusaka last Friday the national executive of the ANC said it wanted to meet Mr De Klerk as soon as possible to discuss with him the need to address certain issues so that a climate conducive to negotiations could be created.

It called on the South African regime specifically to release all political prisoners and detainees, end the state of emergency, repeal all repressive legislation, halt all political trials and remove all troops from the townships.

Prisoners

The main sticking points, from the ANC side, are the questions of political prisoners and the lifting of the state of emergency.

Mr De Klerk has stated that all prisoners convicted merely because of their membership of the formerly banned ANC would be released but not those who had committed crimes of violence. The ANC wants to general amnesty.

When he announced the release of Mr Mandela he said that, regarding the position of persons involved in politically motivated crimes, while this was a matter that should be dealt with in negotiations, exploratory discussions could take place in the meantime.

With reference to the state of emergency Mr De Klerk then said that, in his discussions with Mr. Mandela, he had stressed the importance of creating conditions which would enable him to lift the state of emergency without jeopardising the maintenance of law and order.

Breakthrough

Nationalist politicians regard the mere fact that the government and the ANC will have even exploratory talks as a major breakthrough.

In his statement expressing his willingness to meet the ANC Mr De Klerk took a swipe at the way in which the movement was setting preconditions and the way in which it was still committed to an armed struggle.

All the same the way is now open for the political foreplay to commence.

While it has offered to talk, the ANC is not exactly well-disposed toward the government at this stage, as

was shown by its attempts and apparent success in torpedoing the mini-summit between Mr De Klerk and some African heads of state due to have been held in Zaire tomorrow.

The ANC is also maintaining its campaign to have sanctions kept in place until apartheid has been scrapped completely.

Foreign Affairs officials, some of whom have recently visited a number of African states, are now hopeful about a major breakthrough for South Africa in the rest of Africa.

From Mr De Klerk's rather cryptic statement yesterday it appears that he agreed to have the Zaire meeting postponed in order not to create disunity in OAU ranks.

He said that "now is not the time to create further divisions. Africa cannot afford more controversy within its own ranks".

Esteem

According to one high-ranking Foreign Affairs envoy who returned this week from a secret visit to a number of African states far away from South Africa Mr De Klerk is held in high esteem in many parts of Africa.

He is seen as a sincere man, a man of integrity.

These sentiments were again echoed by Mr Mandela this week when he called on Afrikaners to support Mr De Klerk. He said Mr De Klerk was of a new generation—the first Afrikaner leader who had the courage and the honesty to tackle the country's problems realistically. He was also hopeful about Mr De Klerk being flexible.

Notably Mr Mandela is also scaling down his remarks on the economy, saying now that no drastic changes to the economy would be made before these had been thoroughly discussed with the private sector.

Courageous

In the United States even Senator Edward Kennedy is commending Mr De Klerk for his courageous actions.

The bold steps Mr De Klerk announced on February 2 followed by the release of Mr Mandela is said to have had a "formidable effect" in many parts of Africa.

Many African statesmen are trying to work out how they can help the efforts to come to peaceful solutions in South Africa. They are not making any demands, except that South Africans themselves must be allowed to get together in any effort to work out such solutions.

There is even talk of offering South Africa membership of the Organisation of African Unity, the body which has spent so much time on rhetoric and posturing about South Africa through the years, once negotiations have started.

Although he has moved so swiftly on so many issues Mr De Klerk at the same time clearly has no intention of being rushed into further fundamental changes.

In his interview with Die Kerkbode this week he said he was convinced that within 10 years there could at least be real progress on the way to a new dispensation which would be just to everyone and would offer protection to the various minorities.

It is extremely doubtful if there is that much time. Especially the ANC will face problems of exercising discipline over impatient young black supporters if efforts to find, and to implement, new solutions drag on for too long.

Interests

Mr De Klerk has also had to reassure his own people, especially after Dr Gerrit Viljoen's recent statement that the National Party [NP] would not be in power in 10 years' time.

Addressing the Federal Council of the party in Cape Town last week he said it would continue to look after white interests and that it would continue to play a key role in any future constitutional dispensation which has been worked out. At no time was the party's role more important than now.

He was speaking against the background of the right wing's hysterical protests against the reform moves, something which does not bother him unduly although there are indications that the NP is still losing support to the Conservative Party [CP].

However much it carries on there is in fact little the right wing can change.

Nationalist politicians have picked up trouble for the party especially among blue-collar workers. Here the CP is having a field day exploiting the fears of white workers. Only an improvement in the economy and consequently an improvement in their circumstances can now help the NP.

These Nationalist politicians are also hopeful that their party can make up for loss of support to the right by gaining support from the Democratic Party side.

Retirement

Mr De Klerk will be off overseas again later this year, to Europe, especially England, and probably to the United States. There is even the intriguing possibility that he may go to an Eastern European country, perhaps Hungary.

Current speculation is that this could be in May.

Meanwhile there are indications that someone in Mr P W Botha's camp is trying to get at Mr De Klerk in various ways.

Living in retirement at the Wilderness these days Mr Botha is permanently unavailable to the Press.

This week a new book on the dramas surrounding Mr Botha's retirement last year disclosed that he told Mr Pik Botha that two of his Cabinet colleagues in 1986 forced him into repudiating the Minister of Foreign Affairs' reference to the possibility of a black president.

In political circles it has always been assumed that Mr Chris Heunis was one of those who "shopped" Mr Pik Botha to the then president. [Sentence as published]

Now a source close to Mr P W Botha has pointed a finger at Mr. De Klerk as having been the other Minister.

So far there has not been any reaction from Tuynhuys.

* De Klerk 'Reforms' Paving Way for Future

34000485A Braamfontein WORK IN PROGRESS
in English Jan 90 pp 8-9

[Text] 'What we are trying to do,' explained former police spy Craig Williamson, 'is make sure that no future government has the power we did'.

He was outlining to a United States radio audience the objectives of president FW de Klerk's 2 February reform package and of future reforms which he said were inevitable.

A sitting National Party president's councillor and still a ranking party expert on the African National Congress (ANC), Williamson's statement carries real weight.

And its implications go beyond De Klerk's opening address to parliament. They indicate that for De Klerk the issue is no longer whether a democratically elected government will replace his own, nor even when.

The only remaining issue, Williamson's comment suggests, is what limitations the National Party [NP] will be able to entrench in a post-apartheid constitution as it vacates the corridors of power.

De Klerk himself has already indicated that these will include a bill of rights which would protect the country's former rulers from precisely the kind of abuses to which they subjected their former citizens.

The role of Britain and the United States in the process suggests that the most contentious of these limitations will be directed at the economy: Entrenching existing property relations and hobbling future governments' attempts to restructure, or even intervene in, the economy.

More directly, political limitations, particularly the notion of racial 'group rights'—which would give the country's 6-million white citizens a perpetual political veto—are no longer a non-negotiable element of a post-apartheid constitution, as they were for the National Party during last October's election campaign. 'Group rights' are now downgraded to a more modest status as

part of what the party will lay on the negotiating table, constitutional affairs minister Gerrit Viljoen suggests.

As a fall-back, the party will take to the negotiating table a complex proposal of voting by geographical unit, with votes in different units worth differing amounts. Unsurprisingly, the value of a vote cast in Soweto would be less than one cast in Randburg. More surprising, however, is that elements in the government believe this will pass muster at the negotiating table.

Even the Group Areas Act may be less of a stumbling block than at first appears. From Viljoen comes the explanation that it cannot logically be scrapped under the existing constitution. The implication is thus that its retention is a practical consideration, not a principled one.

Another element to consider is the suggestion from Viljoen and law and order minister Adriaan Vlok that the National Party sees for itself a post-apartheid role, possibly even as a minority partner in a governing coalition by the turn of the century.

This willingness by senior cabinet ministers to predict so far into the future, a future which from other perspectives seems uncertain, indicates either:

- that De Klerk's men have accepted that they must surrender power—and will therefore in due course meet the pre-conditions outlined in the Harare Declaration, then sit down and agree to the introduction of a democratic constitution.
- or that they are supremely confident of their ability to force on the ANC and its allies a series of compromises.

The latter is an extremely risky bet, even taking into account the international pressure on the ANC to settle. Yet the ministers appear confident.

A small but significant pointer to the government's seriousness is the speed with which it responded to the ANC's objection to an initial assertion that the release of Nelson Mandela was being delayed by 'security considerations'. This was not a unilateral issue, ANC president Oliver Tambo stated, and its resolution must include the ANC. Government officials have since referred to it as a matter of joint concern.

There is thus evidence that De Klerk has taken the decision to settle.

In private, government officials even explain the key omissions from the changes De Klerk has so far offered (the state of emergency security measures, the Internal Security Act and other restrictive legislation remain untouched) as part of an inevitable round of pre-negotiations horse-trading.

This is entirely sensible for a party about to negotiate away its power and eager to save what it can. The less it gives away in advance, the stronger its hand when negotiations begin.

After the 2 February announcement and the unconditional and carefully stage-managed release of Nelson Mandela from Victor Verster prison, De Klerk has in any event won himself previously unimaginable international credibility.

If he lifts the state of emergency before the end of the month as planned, the cudors from foreign powers will grow even further.

He will therefore have every incentive to wait before dealing his next card.

None of this, however, should disguise the fact that De Klerk is throwing in the towel. He will go down in history as the last apartheid president.

Why?

Although De Klerk has managed to construct himself a reformist image since taking on the acting presidency after PW Botha's stroke last year he had previously been known as the leading conservative in Botha's cabinet.

Partial settlements, involving power-sharing, white vetoes and other variants, have been thrown around in senior government circles for several years.

Even the idea of an interim government, proposed by the ANC and opposed publicly by the government, was put forward in a detailed document to Botha three years ago by a squad of senior civil servants. It was rejected by Botha but given cautious and unofficial approval by several ministers who are still in the cabinet.

Several factors appear to have combined to persuade De Klerk to take the next step.

The first of these De Klerk himself referred to in his SABC [South African Broadcasting Corporation] television interview after opening parliament—the fact that by delaying too long the Rhodesian government had lost even the little it could have salvaged.

The guaranteed white seats in the subsequent Zimbabwean parliament were a gift from Britain's Margaret Thatcher, not a concession won across the table at Lancaster House.

The second was the stunning realisation, as Namibian election results came in last November, that Ovamboland had voted 97 percent for Swapo [South-West African People's Organization].

Shocked government officials rapidly did their sums and came to the conclusion that 'their' Namibians—the troops of the territory force, the police and even the fighters in Koevoet—had voted in massive numbers for Swapo. They had fought the liberation movement and killed its combatants for more than a decade, but in the secrecy of the ballot room they voted it into power.

For Pretoria it was a disturbing thought. And NP leaders turned a jaundiced eye on voluntary black participants in 'the system' at home. In Umtata, Bantu Holomisa helped confirm their fears.

Those on whom they had counted to prevent an ANC walk-over (should it come to that) might not be theirs at all. Even the Ciskei's Lennox Sebe, their most loyal ally after Lucas Mangope, warned them that an ANC-led alliance was likely to romp home with more than a two-thirds majority should they risk an election (See Briefs).

The third and decisive element for De Klerk's men has been the chilling sight of the toppling dominoes of Eastern Europe.

A government article of faith for the past decade has been that reform from above is possible; that an illegitimate regime can gain legitimacy through a process of selective, carefully-timed and rigidly-controlled reforms.

In Eastern Europe they saw that theory kicked aside as government after government tried it and fell—toppled by the very forces their limited reforms had unleashed.

The South African Communist Party [SACP]'s Joe Slovo described the process as 'popular revolts against unpopular regimes'.

In parliament De Klerk attempted to turn this to his advantage, saying the weakening of international communism had correspondingly weakened the threat posed by the ANC and SACP.

In fact, the message of Eastern Europe was an entirely negative one for Pretoria, graphically symbolised by the television pictures of the corpse of Nicolae Ceausescu, who had waited too long and offered too little.

* Negotiations Depend on Prisoners' Fate

34000534A Johannesburg SUNDAY TIMES
in English 4 Mar 90 pp 1-2

[Article by Dries van Heerden and Doc Bikitsha]

[Text] The fate of more than 450 ANC [African National Congress] supporters still in South African prisons will be the stickiest point on the agenda for the organisation's first face-to-face meeting with the Government.

The advance team for talks-about-talks—led by the ANC's newly elected deputy president, Mr Nelson Mandela—is expected in SA [South Africa] from Lusaka within a month.

However, in ANC circles this week, there was concern over Mr Mandela's health and his busy schedule since being released from prison last month. Yesterday he addressed a mass rally in Lusaka after a hectic week in Zambia, where he met his ANC comrades for the first time in 27 years.

ANC sources said the first round of the preliminary negotiations with the Government would be dominated by three points:

- The signing of a mutually binding ceasefire;
- The ending of the state of emergency;
- The future of prisoners jailed for security offences.

The ANC expects that the first two issues may be resolved fairly easily on a quid pro quo basis—"If he (Mr De Klerk) lifts the state of emergency ... we abandon the armed struggle."

The prisoner issue may prove the tougher nut. Informed estimates suggest that there are about 350 security prisoners still on Robben Island, with a further 100 scattered through other institutions—the majority of them in Pollsmoor in the Cape and Diepkloof near Johannesburg.

Underground

Of these, at least 50 percent—between 350 and 370—have been convicted under the Terrorism Act for actions involving violence or sabotage.

It is unlikely the Government will release them all unconditionally as the ANC has demanded.

ANC sources say they do not expect finality on this issue during the first round of talks.

"There may be drawn-out haggling. It is even possible that the matter will eventually be dealt with by way of a general amnesty for long-term prisoners," a senior ANC member said.

The arrival of the ANC's negotiating team will coincide with a vigorous drive by the organisation to re-establish an internal base in SA, after operating underground for nearly three decades.

One of the biggest challenges facing the movement is to raise enough funds to establish itself as a viable political force. Yesterday the ANC's treasurer-general, Thomas Nkobi, said it would need at least 80 million US dollars this year to put a new organisation in place.

In this process, Mr Mandela, as the most senior leader active in the political scene—ANC president Oliver Tambo is still recuperating in a Stockholm clinic after a stroke—will play a key role.

But doctors close to the 71-year-old ANC veteran yesterday urged him to cut down on his workload. A close friend and former personal doctor to the Mandela family, Dr Nthato Motlana, expressed concern about his patient's hectic itinerary. He said Mr Mandela should get out of Soweto to a more relaxed and healthy environment.

Said Dr Motlana: "It's strange how those nearest Mr Mandela seem not to realise the undue stress placed on him. He has made his political statements ... now let him rest!"

On this week's Lusaka visit, he met seven African presidents and at least 20 ministers or top-ranking officials from governments or world bodies.

But ANC officials in Lusaka said a meeting with Canadian Foreign Minister Joe Clark was delayed for more than two hours on Wednesday when doctors ordered Mr Mandela to go to bed and rest in the mid-afternoon.

"Even then, three presidents knocked on his door," one official said.

He also left a State banquet well before the end on Tuesday night. No reasons were given.

Mr Mandela's appointment as deputy president has given the ANC's international status a great boost.

The ANC will extract the maximum publicity from his reputation as the world's most celebrated prisoner.

It is expected that the ANC's internal organisation will be modelled on the M-Plan drawn up by Mr Mandela in 1953 when he was the Transvaal president of the movement.

The M-Plan provides for the setting up of a grassroots organisation consisting of street committees led by cell stewards; zones, consisting of seven or eight streets; wards made up of four zones, with a prime steward in charge; and branches consisting of two or three zones.

Speaking in Lusaka yesterday where he received the freedom of the city, Mr Mandela paid tribute to the role Zambia played in playing host to the ANC in its three decades of exile.

Thousands of well-wishers lined the 10km route from Zambian president, Dr Kenneth Kaunda's official residence to the 30,000-seat stadium for the mass rally.

"I salute you for your unstinting support. I salute you for your commitment to our struggle," Mr Mandela told a boisterous crowd of about 10,000 people.

"What greater sacrifice is there than the shedding of blood for other people? We in South Africa will not forget your sacrifices."

Mr Mandela called for an end to regional conflicts in Angola and Mozambique, where right-wing rebels are fighting to overthrow their governments.

"There are reckless elements bent on destroying the governments instead of pooling resources to develop social, economic and political structures," he said.

Mr Mandela will arrive in Zimbabwe today where he will address an election rally staged by President Robert Mugabe. Zimbabwe's 4-million voters go to the polls on March 28 and 29.

While Mr Mandela and Mr Mugabe address the crowd at the Rufaro Stadium, other ANC leaders will be locked in talks with a high-level group of SA businessmen less than two kilometres away.

The business delegation, led by P. G. Bison's Christo Nel, will include the head of JCI, Murray Hofmeyr, JCI's group economist, Dr Ronnie Bethlehem, and a senior executive of the Development Bank, Dr Johan van Zyl.

On leaving Harare Mr Mandela is to visit ANC facilities in Tanzania for six days before flying to Stockholm to see Mr Tambo.

* Editorial Argues Against Nationalization

34000491A Johannesburg FINANCIAL MAIL
in English 23 Feb 90 p 27

[Editorial: "Learning From History?"]

[Text] There has without doubt been a concentration of ownership of quoted shares in this country over the past 40 years—and, accordingly, growing disparities in the distribution of wealth. It is a situation that will have to be changed in a fairer and more egalitarian post-apartheid society.

No new negotiated political dispensation can ignore this fact. So it would be well now to consider the policies that will change this situation without threatening economic growth. The ANC [African National Congress]'s solution is simply to nationalise the towering heights—the mines, banks and monopolies—and no doubt use them to create jobs for disadvantaged blacks.

This after all is how the National Party used the railways, Post Office, police, defence force, Iscor and, to a lesser degree, Eskom and some IDC [Industrial Development Corp]-owned companies in the late Forties and early Fifties. By doing so, they actually didn't have to nationalise anything.

Presumably, this is what Nelson Mandela meant when he referred to nationalisation being part of the history of this country. In that respect, he was quite right.

It is a beguiling argument—one especially attractive to politicians seeking policies of mass appeal and more power. But there are several things that those who espouse it must keep in mind.

First, as it was introduced into the social circumstances of SA some three decades ago, it was the manifestation of the authoritarian and collectivist ethic of apartheid. If Mandela wants to perpetuate apartheid for the benefit, this time, of blacks, it is of course the road to take.

Second, when apartheid was being increased in the Fifties, the gold mining industry was booming. It is not in that happy position today. It has been overtaxed, is facing cost increases that are eroding its international competitiveness and the depths at which gold is found

nowadays demands greater ingenuity both in financing and the technologies required more than 30 years ago.

Third, the concentration of ownership has taken place precisely because of authoritarian and socialist policies that apartheid itself has fostered. Exchange controls are a socialist device that assumes the State has some claim on where and in what form private wealth may be held. They are designed as a means of physically constraining those who might wish to vote with their money or their feet for a different system.

By restricting the inflow and outflow of wealth, government forces a greater share of private savings into the hands of the most efficient corporations operating in a circumscribed market. Where else can they invest?

Likewise, for many years, the authorities in Pretoria took it upon themselves to decide how many banks and financial institutions there should be in this country. This was done in the name of an orderly market. It provided a great deal of protection for the established banks and institutions. This meant that, very quickly, most of the approximately 55 independent banks were absorbed into five main banking groups. By the time this policy changed a few years ago, there were less than five independent banks left. This was a massive concentration of ownership.

The fastest way to widen ownership of productive assets would be to reverse these apartheid-spawned policies. Banking and insurance legislation is being altered now to achieve this and the authorities have been far less restrictive.

More impetus could be given to the process, too, by changing government's attitude to privatisation. The emphasis has been too strongly on raising funds for government rather than to create a share-owning democracy.

The ownership of residential land could be widened quickly by removing the Group Areas Act and giving township land, on which blacks have been resident for some time, to them, or selling it to them for a nominal sum. Precedents already exist. After World War II, some local authorities sold land to returning servicemen at one pound sterling per plot.

Deregulation and immigration, if only from the rural to the urban areas, are important ways of spreading wealth and creating jobs. Successive waves of immigrants revitalised the economy of the United States over numerous years.

However, exchange controls are by far the greatest cause of a concentration of ownership. They are an anomaly among the policies of a government that increasingly claims to be free-market orientated.

Their justification is sought on political grounds, when both the basis of policy has altered and the results have invalidated their efficacy.

Nationalisation does not redistribute wealth. It merely places control of more assets in the hands of a few politicians and bureaucrats. And they can be guaranteed to make decisions about them by strictly political, rather than economic, lights. Therein lies impoverishment.

* Consequences of Nationalization Spelled Out

34000491B Johannesburg *FINANCIAL MAIL*
in English 23 Feb 90 pp 28, 31, 35

[Text] Increasing gold and mineral production—and the way in which it is financed—is essential if the SA [South African] economy is to return to the prosperous years of the Sixties and Seventies and begin restructuring itself so that all who live here may participate in its fruits, according to their abilities and the risks they are prepared to take.

To achieve this, some very fundamental changes are going to have to take place, not only in the thinking of the National Party government. Business, for its part, is going to have to accept and encourage greater participation of all stakeholders, especially workers, in its endeavours.

But the most fundamental change is going to have to take place in the thinking—or conspicuous lack of it—of black leadership groups, such as the ANC [African National Congress] and PAC [Pan-Africanist Congress]. They have raised the acquisitive expectations of so many ordinary black folk to such a pitch, that their fulfilment could be a major political problem in a more egalitarian and just post-apartheid SA. Ten years after independence, Zimbabwe's Robert Mugabe is still struggling to deliver.

Contrary to the conventional wisdom of a socialist world now in tatters, nationalisation of the mines and banks would not assist in any egalitarian restructuring. It would debilitate entrepreneurial endeavour among blacks, discourage exploration and investment and, by politicising business, lead to a misallocation of resources that would impoverish the country.

Very simply, nationalisation is not and cannot ever be in the interests of black South Africans. According to Chamber of Mines economist David Kennedy, the gold mines during 1989 paid in tax and lease some R1.5bn to the State. Their intended capital expenditure over the five-year period 1990-1994 stands very approximately at R30bn in nominal money and will be higher if inflation is not curbed.

That will at best keep gold production on a modest growth path, replacing mostly the depleted production of worked-out older mines.

Also of significance is the considerable proportion of mines whose costs of production in the September quarter were higher than the gold price received and a greater number (including former stars such as Blyvoors) with costs only marginally below the gold price.

It should be obvious that gold mining is an entrepreneurial, risk-taking economic activity par excellence. Genmin's Brian Gilbertson points out that a new deep-level gold mine can cost R2bn. A decision to spend that amount is inherently risky, no matter how many boreholes have been put down to ascertain ore bodies.

Indeed, a decision to prospect on any scale is itself entrepreneurial, as there is no guarantee that success will be achieved. At present, the mining houses are risking some R400m a year on this vital activity (with a single borehole costing R1m-R2m).

Paying the Bill

In the light of these facts, consider the implications of nationalisation:

- All mine employment policies will become politicised. In other words, a decision to lay off workers will not be based on financial and technical considerations. Gilbertson notes that Genmin has saved several mines—including West Rand Cons—from closure through shrewd lay-offs and shutting down high-cost areas.

The end-result of the process of politicisation in a mining industry can be seen in the British coal industry, where an effort to restore profitability through the shutting of high-cost pits led to a damaging, protracted strike.

And not only employment policies, but also wage policies, would become politicised under nationalised management, giving a further guarantee that profitability would dip as resources were misallocated;

To these powerful factors, add the managerial element. State industries are inherently less efficient than those privately owned, because the discipline of the market is withdrawn and managerial appointments are frequently made on political grounds;

The history of the nationalised British coal industry is instructive in other respects. Far from being a source of funds for social purposes, it became a chronic drain on the exchequer. Taxes drawn from the private sector flowed into the nationalised industries generally, to the detriment of social spending;

It becomes rather difficult to see how any local or overseas private-sector source of finance could be persuaded to lend money to such a dismal type of operation. Retained profits would also have dwindled, so where would the money be found to finance that R30bn capex programme? The horrible example of the fate of Zambia's copper mines after nationalisation (see box) is there for all to see; and

It is also unlikely that State-appointed managers would ever be prepared to take the risks with their personal positions inherent in a commitment of R2bn to a new mine, with an appreciable probability of failure.

In the long term, the country's most important source of foreign currency would be wiped out, along with the jobs of those blacks now employed in gold mining. Across the board, much the same arguments apply to all forms of mining.

What about banking? A senior economist fears that nationalisation of banks would have a particularly deleterious effect on the allocation of economic resources in the economy as a whole, because of the key role of banking in providing finance. There is a risk of highly politicised lending policies, through efforts at affirmative action of one sort or another. And the administrative process of credit allocation, he argues, would itself become less efficient through the same mechanisms which operate in any nationalised industry.

The economist also noted that SA has suffered enough in the past from distorted allocation of resources through interest rate subsidisation applied for the benefit of farmers. What could happen if banks were nationalised could and would be far worse.

Other banking sources point out that links with correspondent banks which provide inter-bank loans in the form of trade credits could also suffer gravely after nationalisation—with serious implications for the foreign reserves and the value of the rand. Inter-bank lenders rely heavily on the accepted parameters of banking risk—the key financial ratios. These ratios would suffer serious attrition after nationalisation, when banks came under political pressure to lend to unsound risks.

Then there are the general macro-economic implications of wholesale nationalisation—the problems of compensation and loss of confidence. The total capitalisation of gold, platinum, coal and diamond mines, at the end of January 1990, amounted to some R100bn. If we include any conceivable definition of "monopoly industry" to banking on the nationalisation slate, we can easily add another R100bn in compensation.

The issue of that amount of government paper would have catastrophic results for the market in gilts—and in any event is deficit finance on a grand scale. The results for the inflation rate and the value of the currency hardly bear comment.

Lastly, there is the implication for confidence. The flight of skills would know few bounds, not to mention the covert flight of capital, at any cost, regardless of exchange controls. If full compensation were not paid, the price in loss of skills would be even higher. (Compensation out of future dividends must be regarded as a limited benefit, on present value considerations.)

It needs to be emphasised that the savings of middle-income South Africans, white and black, are invested in mining houses and so-called monopoly industries, through the intermediation of the life insurers. It is nothing short of specious Marxism to believe that the giant companies belong mainly to a few families. So any

loss of confidence would sweep across the board and not be confined to the business community.

Finally, we have to remember that SA is still a developing country in terms of per capita income. To improve living standards for the deprived wealth creation (not expropriation) and reconstruction on a grand scale. If the assets of the country's largest mining group were divided equally among each member of the population, each one would receive about R1.

Post-nationalisation, to talk of money from overseas would be absurd. And that money—nobody should forget—would have to come from the international free enterprise system. The Soviet bloc is now emerging as a mendicant hoping for injections of international money. Its days of providing subsidies for incompetently run client states have all but ended.

But there is even worse lurking behind nationalisation proposals. At the end of the road is the ultimate fear that they would be the thin end of the wedge, comprising the start of a process of complete delegitimation of white property rights, including agricultural land. This would be the sure recipe for complete ruin of the economy and mass emigration.

We have to acknowledge that the ANC leadership, sophisticated or not, is to an extent the prisoner of its constituency, which has been fed naive and traditional Marxist propaganda for at least two generations.

The way out of this dilemma is to allow free markets to deliver the goods to the ANC's followers. One contribution can come from government, which has come to recognise that certain things need to be done in the words of President F. W. de Klerk, to improve the share of "public goods" provided for blacks.

This would undoubtedly cover areas such as education, where the moral claim is strong and the economic paybacks in the form of faster growth, greater productivity and social stability would be high in the long term. SA must accept the necessity of paying more in such areas, insisting however that the money is carefully and effectively utilised.

Other items, perhaps best called "black economic empowerment within free enterprise," also need attention. To promote this home-ownership and the development of a black middle class, including a small business component, is vital. What needs to be asked is whether the plethora of organisations such as the Small Business Development Corporation and the Development Bank of Southern Africa are appropriate organisations to foster grassroots entrepreneurship.

What is beyond debate is that an indispensable element in attaining these goals is faster economic growth. To attain higher growth, local and international confidence are important.

Had the ANC been able to articulate a logical conception of a post-apartheid economic plan, foreign investors

would probably not have lost confidence and dumped SA assets over the past two weeks.

What that signalled was not the reluctance of most whites to accept change. Rather it reflected concern at the ANC's wasteland option if it persists with threats of nationalisation and a preoccupation with revolution rather than economic reconstruction.

* Transkei's Holomisa Advised To Step Down

34000491C Johannesburg FINANCIAL MAIL
in English 23 Feb 90 pp 32, 35

[Text] Tucked away near the end of President F.W. de Klerk's bombshell address to parliament was a passing reference to the independent homelands—a strong hint that their reincorporation was now a serious option. To some it seemed possible that the President was opening the way for a constitution which would embrace SA [South Africa] as a single unitary State. That is not certain yet. But at least one of the "national states"—Transkei—seems well on the way to forcing its way back into SA anyway.

Politics aside, this will have important implications for both the scale and the security of investment in the territory. The process must be managed.

Just a few days ago after De Klerk's speech, Transkei's military strongman General Bantu Holomisa said a referendum would be held on whether or not to return to SA. He had just received a report-back from the committee he nominated to investigate the feasibility of the exercise. Final details are still to be worked out on exactly what question will be put to the homeland's population, and just when Transkei might seek reincorporation—Holomisa says he does not want to lead his State back to apartheid—but the referendum is going ahead. Holomisa privately believes Transkeians will vote to return.

At the same time as Holomisa's announcement, thousands of protesters marched on the magistrate's court at Garankuwa in Bophuthatswana and were reported to have handed over a petition demanding reincorporation. The Chief Minister says "no."

Last week, Finance Minister Barend du Plessis speculated that the independent homelands could become something like provinces in a future SA. The ANC [African National Congress], strong critics of the homeland system, would also like to see the TBVC [Transkei, Bophuthatswana, Venda, Ciskei] states returning to SA. The idea seems to be catching on.

Holomisa gives several reasons. Transkeians should have the option of reintegration into the SA economy—at independence in 1976 there was a strong anti-independence lobby, mostly locked up along with those in opposition to the Matanzimas. Holomisa says that as a non-elected leader he should offer Transkei this choice again.

It is not a clear-cut one. While independence has notoriously enriched a clique of politicians, there have been wider economic benefits. Growth has never been stronger—and is estimated at between 7-10 percent over the past five years. Foreign investors appear to be showing increasing interest in the Transkei, partly thanks to a hard-sell campaign by the Transkei Development Corp and some handsome incentives.

While Transkei, along with the other homelands, has not been recognised internationally, there is a scramble for casino licences and proposals for hotel complexes proliferate. Italian and French interests are apparently interested in a R95m leisure investment that would be attractive to the international package-tour market.

Yet Transkei still relies on handouts from SA—R1.7bn in the last financial year. The fact that business in Transkei is, relatively speaking, booming—admittedly with an emphasis on gaming—merely indicates that it is not a total burden on the SA taxpayer. But Transkei—with its scenic potential, strategic position vis-a-vis major metropolitan centres and low-wage structure—always made more sense as an independent entity than the other TBVC States. It is particularly in relation to Venda, Ciskei and—as far as its far-flung regions are concerned—Bophuthatswana, that the charge of being an onerous drain on the central Treasury has been made over the past 15 years.

The question arises of what kind of financial support—however disguised—reincorporation would necessitate and what that would mean for SA's taxpayers. Government is acutely aware—and doubtless embarrassed—by the amount of money poured into the homelands each year. Auditor-General Peter Wronsley has revealed that R6.2bn was spent on the 10 homelands in the last financial year. Unravelling such a flow of funds would be difficult.

Holomisa believes that if Transkei returns to SA, Pretoria will be obliged to fork out even more for the regional economy. And certainly the non-independent homelands don't cost taxpayers any less—of the total spent last year, most (R1.8bn) went to KwaZulu.

Holomisa freely admits his economic dependence on Pretoria; he even wants more funds. Yet he is as determined to keep political independence. This goes to the heart of the strained relations between Pretoria and Transkei in past months. De Klerk undercut much of the posturing by unbanning the ANC and other organisations—something Holomisa threatened to do late last year—but Holomisa struck back with his announcement of the referendum.

He has also done his own bit of unbanning, releasing prisoners (including a convicted for murder after planting a bomb at the Wild Coast casino) and suspending what he termed politically motivated criminal cases.

The general has also said trade unions will soon be legalised—he is expecting draft legislation from labour expert Nic Wiehahn at the end of this month.

More than anything else, the possible advent of unions in the Transkei seems to have caused the biggest stir in the business community. Most investors do not seem particularly concerned at political tensions between SA and Transkei and most seem happy to conduct business under a military regime. But unionisation is causing concern—particularly among foreigners.

Frankey Yu, MD of Sanskei Speakers, an operation he relocated from Taiwan to Umtata, says labour is getting more expensive, with no increase in productivity. He can still make his units cheaper in Transkei than Taiwan, but complains of slashed profit margins.

So does K.Y. Cheng, another Chinese industrialist whose factory produces 2m matchsticks a day for export to Japan. He employs about 500 Transkeians. "The price of timber is going up, labour is going up, yet to compete internationally we cannot increase our prices. Had we foreseen this when we did our projections in 1986, we might not have invested in the Transkei."

Cheng says that since Holomisa became military leader, the general minimum wage has increased from 60c an hour to R1.40. However, the factory's SA administration manager, Leon Fourie, believes the introduction of trade unions is a "good idea" as long as education on collective bargaining occurs at the same time. Even so he expects initial problems, drawing parallels with the emergence of independent black unions in SA and hopes the teething process won't last too long.

Some industrialists—like Lino Leoni, MD of a new chipboard plant backed by more than R100m from an Italian syndicate—decided to set up in the Transkei precisely because there weren't any unions. Leoni now accepts their arrival philosophically, but says his backers might not have invested had they known unions were on the way.

The most confident response to unions seems to come from SA investors. Jack Swart, company manager of Langeni Forest Products, one of the two biggest mills in Transkei, welcomes their introduction. "We in the timber industry have, in the past, felt a great vulnerability because of the lack of labour legislation in the Transkei. When we had strikes in the past there was no machinery to use to reach a settlement."

Swart points out that because Langeni belongs to a group based in SA, "we have the staff trained to work with unions and experienced in industrial relations." He is not concerned by the present bad blood between SA and the Transkei: "It's not a factor—as far as we can see, business confidence hasn't changed at all. As for the future of business here, we feel confident that the Transkei government can handle the situation."

Holomisa also sees the strained relationship as temporary and links it to the continued detention of two groups of South Africans he alleges were sent on a mission to assassinate him. He told the FINANCIAL MAIL: "It's interesting that a spate of derogatory stories about the

Transkeian government only came out after we had arrested the last two men. I also noted that all the stories came from 'sources close to the government.' Nobody was quoted directly. But the SA government didn't deny the reports either."

Adding to Holomisa's problems over reincorporation, investment packages and unions is his increasing difficulty in justifying holding on to power. People are wondering when, if ever, he is going to fulfil his promise of civilian elections.

His two main excuses—that there is still a lot of corruption to be cleaned up and that people implicated in the investigations could win their way back to power before answering to the courts—are wearing a bit thin after two years of military rule.

Legal teams are currently investigating a R120m alleged scam involving a deal with an Austrian tractor company, but are being held up while they try to get clearance to scrutinise some existing foreign bank accounts.

And independent sources with no strong political leanings say Kaiser Matanzima—despite the scandals surrounding his name—is still a power in Transkei because of his tribal influence and could be returned to power through the ballot box, something not many members of the business community would welcome.

All of which seem insufficient reasons to seriously delay the political process—particularly since the reincorporation issue is now looming so large and the populace needs to decide on it in a much freer climate of opinion.

So, is Holomisa the "strutting military dictator" some claim he is, or is he clinging to power because of an idealistic zeal to clean up the country and build up the economy? Few doubt his sincerity when he speaks about his plans for Transkei, or his shame at what previous government leaders have done. His commitment to return to civilian rule seems genuine.

And, though he came to power after staging a coup, Holomisa has also undoubtedly been the fairest and most democratic leader Transkei has seen since independence.

At the same time, the general clearly foresees a bigger role for himself as one of the key players in negotiating a new SA. He says he is following on the initiative started by De Klerk and wants to be in on the finish. That could explain his reluctance to hand over the reins right now.

He argues: "If they start stalling or restricting the reform process in SA, we will go ahead with it here in Transkei."

Maybe. But how is he to lead Transkei back into SA—in the process, perhaps initiating the collapse of the homeland structure as a whole—and keep the confidence of foreign investors and return the region to civilian rule...? He ought to apply the principle of first things first and, right now, that means he should stop delaying and call a

general election. Whether he hands over the reins of power before or after such an election is irrelevant—it is a step he has to take.

*** Bophuthatswana's Future Unsure Despite Platinum**

*34000494C London AFRICA CONFIDENTIAL
in English 23 Feb 90 pp 5-7*

[Unattributed article: "South Africa III: Platinum-Plated Bophuthatswana"]

[Text] For some months, Bophuthatswana's President Lucas Mangope has had the habit of rising early and praying for up to three hours every morning. The new circumstances in South Africa are such that he may be glad of supernatural help in the coming months.

The violent 7 February demonstrations in Garankua, in eastern Bophuthatswana, when up to 70,000 people called for a restoral of South African citizenship, could just be a foretaste of things to come.

Mangope can count a number of factors in his favour. One is the continuing high price of platinum which is keeping the government solvent in spite of waste and mismanagement on an epic scale. Thanks to revenue from platinum and from the casino at Sun City, the government should be able to withstand a likely freeze in its annual grant from Pretoria, which last year amounted to 526 million rands (\$210 mn).

Corruption in Bophuthatswana has taken some truly bizarre forms over the years. Ever since its nominal independence from South Africa in 1977, Bophuthatswana has attracted hordes of international con-men who have stolen millions of rands. The most notorious of these, Shabtai Kalmanowitch, is currently languishing in an Israeli jail after being convicted of espionage.

Other international adventurers who have sought to do business in Bop have included a mysterious Vatican official connected with the collapse of the Banco Ambrosiano; a New York rabbi investigated by the Federal Bureau of Investigation on suspicion of planning a coup in West Africa; and a member of the British parliament who mislaid a large sum of money from the Bop government which he was forced to repay. The list of such exotic adventurers is almost endless.

Such characters mix with the pop stars and show-business personalities who frequent Sun City, Bophuthatswana's entertainment Mecca, to give a special flavour to the Bop high life.

President Mangope has been said by close associates, at least until recent weeks, really to believe in the founding myth of Bophuthatswana, which is that it is on the verge of receiving international recognition. There is no chance whatever of this happening, but the only person who has dared tell Mangope this is the former French

spy-master Alexandre de Marenches. Everyone else encourages Mangope to believe that recognition is close at hand and that, for example, he has the ear of Prime Minister Margaret Thatcher. The reason is simple. Well-paid jobs and generous expense-accounts would be at risk if Mangope ceased to believe that he was on the verge of an international breakthrough.

The more accomplished thieves and contractors have stayed away since Bop hit hard times some years ago and cut back its development budget. State finances have recovered since then thanks to the efforts of Finance Minister Leslie Young and the high price of platinum. Nevertheless, waste and mismanagement seem as rife as ever. Mmabatho is littered with modern technology which does not work. It is endowed, for example, with a splendid international airport which is near-deserted.

Bophuthatswana is the world's third-biggest producer of platinum. The country's citizens have derived benefits from this in the form of a construction boom in Mmabatho, jobs in the mines, and widespread schooling. But considering that the wealth has to be spread among only one and a half million people, it is notable how little trickles down.

If platinum lies at the core of the government's revenue, it is also the source of political problems which have mushroomed since the abortive coup of February 1988. The coup's ring-leaders were Sergeant-Major Timothy-Phiri of the Bophuthatswana Defence Force and parliamentary opposition leader Rocky Malebane-Metsing. Phiri's wife, who was also Malebane-Metsing's private secretary, is alleged to have been the link between the two. She is now on the run with a price of 50,000 rands on her head.

Nearly all the plotters were from the Bafokeng area in the east of Bophuthatswana, where the platinum mines are sited. The paramount chief of the Bafokeng tribe, Lebone Edward Molotlegi, some years ago bought a civil action against Mangope, alleging that the President was retaining revenues held in trust for the tribe. The court found in favour of Mangope. But, even so, the belief that the government is cheating them has made many Bafokeng very hostile to Mangope, who is a chief of the Bahurutse people.

After the February 1988 coup attempt, Mangope took to his bed for weeks in a deep depression. Chief Molotlegi of the Bafokeng fled to Gaborone. Rocky Malebane-Metsing fled to Harare, where he has been the target of at least one assassination attempt. He has joined the African National Congress (ANC) together with a fugitive colonel from the Bophuthatswana Defence Force, Andrew Kobedi. Mangope fired from his government the most prominent Bafokeng minister, Bernard Motsatsi. The only Bafokeng now in a prominent government position is deputy law and order minister A.N. Segoe, who is also the proud owner of a chain of bottle-stores.

Government sources claim that the plotters had entered into contact with a United States mining company which was interested in developing a new platinum mine.

Existing deposits are mined mostly by Gencor, Anglo-American and Lonrho. The link between some of the putschists and the ANC is presumably the explanation for a recent spate of at least a dozen limpet-mine explosions, including at the offices of Bop Air and the Bophuthatswana Building Society, which went unmentioned in the press until a series of four on 14 February were reported by the national news agency. Both Bop Air and the Bop Building Society are run by some of the ex-Rhodesian whites who are a dominant force in Bop. At first the bombings caused near-panic in the Rhodesians' ranks, until they realised that the explosions were probably not aimed at them personally but at the government in general.

Before President F.W. de Klerk's landmark speech to the South African parliament on 2 February there were clear signs that Mangope was preparing to take on the Rhodesians. On 19 January the managing director of Bop Air, Ian Bond, was forced to resign after being held responsible for a discrepancy in the airline's accounts. But the President's main target appears to be Rowan Cronje, a former minister in the Ian Smith government. Cronje, as well as being Bophuthatswana's Minister of State Affairs and Minister of Civil Aviation, is also chairman of the board of Bop Air and chairman of the defence committee which has assumed political control of the Bophuthatswana Defence Force since the coup. He is regarded as the power behind the throne in Bop. Mangope is reported to believe that Cronje needs cutting down to size, and to be looking for material he can use for this purpose. Cronje considers the Bop Air affair to be closed, but other senior ministers think there may be more to come. Cronje may need to use some smart footwork.

The Bop elite likes aircraft. President Mangope has bought himself a personal helicopter. Now he wants to build a helicopter pad in his village to go with it. The Bop Defence Force is buying some Casa troop transporters. The Defence Force, benefiting from the money ploughed into security since the coup, is also building a new defence headquarters at a cost of Rs 9.5 mn., while a joint intelligence service centre to house military intelligence and the new Security Branch will cost a further Rs 4 mn. The Security Branch is a new creation, headed by Colonel Pilane, promoted from lieutenant for the purpose. He is from the president's home village.

Although the security forces do guard the main ANC infiltration route into South Africa, their principal duties are domestic. Eastern Bophuthatswana has been the scene of a number of nasty clashes with villagers opposed to incorporation into Bophuthatswana. The government has no intention of publishing its inquiry into the Winterveldt disturbances of 1985, when demonstrator schoolchildren were beaten. Trouble on a similar scale could be brewing in Leeuwfontein, which is to be incorporated into Bophuthatswana. It too is in Bafokeng territory. After a history of clashes between the people and the security forces nine Bop policemen were killed by villagers last July when their armoured vehicle was attacked. An internal inquiry blamed the Bop police

chief, General Seleke. If the President wished to replace him, Seleke would probably not be succeeded by his number two, 'Fats' Waller, yet another Rhodesian, but by an outsider.

Rumours abound of scandals in the pipeline, although ministers deny any knowledge of this. There are stories of a school-book fraud and a property fraud. Confidence is not helped by the fact that in mid-January the Agricor parastatal appointed as its legal advisor, responsible for land allocation, Hennie van der Walt, a former deputy minister in the South African government who was convicted of fraud in 1987 and released from prison last year.

Bop's business king Sol Kerzner, meanwhile, is back in business after being castigated for making a two million rand *ex gratia* payment by a judicial inquiry into corruption in the Transkei. Kerzner retains his sense of humour. Some time ago he made President Mangope a gift of a top pedigree stud bull for the Mangope herd. This magnificent beast was named 'Sol'. Unfortunately, it was almost immediately struck by lightning and killed. It had not been insured. Mangope hasn't yet found a replacement.

* ANC Asks for Nationalization Study

34000482B Johannesburg BUSINESS DAY
in English 28 Feb 90 pp 1, 2

[Article by Barry Sergeant: "ANC Asks NAFCOC for Nationalisation Study"]

[Text] Nafcoc [National African Federated Chamber of Commerce] has been asked by the ANC [African National Congress] to investigate the nationalisation of business in SA [South Africa].

This follows a recent meeting in Lusaka between a top-level, 21-member Nafcoc delegation and members of the ANC's executive committee.

The meeting, chaired by Nafcoc president Sam Motsuenyane, discussed the ANC's stated aim on nationalising mines, financial institutions and large corporations.

Nafcoc is to invite major SA businesses to a conference to give their views.

Nafcoc public affairs director Gabriel Mokgoko says the Lusaka meeting established that "any (ANC) policy of nationalisation would be carefully applied only after taking account all the facts".

Nafcoc has been asked by the ANC to help compile those facts.

"The meeting decided to set up a Joint Economic Commission (JEC), one of whose tasks will be to examine issues of mutual concern in the economy. It will report back to the ANC and Nafcoc national executive committees."

Motsuenyane says Nafcoc's stance is that "while nationalisation will not necessarily solve all our socio-economic and political issues, it can serve as a vehicle to provide an answer to some of them."

He says alternative methods of redistributing wealth have to be examined, including persuading companies "to hive off portions of their productive assets and pass these over to the disadvantaged black majority to hasten economic participation and empowerment."

Motsuenyane sees one viable alternative as being concerted action programmes by government and the private sector to facilitate black economic participation, primarily by creating a favourable business climate and appropriate structures for funding, and providing legal advice and development assistance.

"The creation of trusts that will allow blacks to acquire a meaningful stake in the SA economy through projects such as privatised companies and capital-generating structures such as the JSE [Johannesburg Stock Exchange], is another alternative."

"Nafcoc and the ANC share the concept of a mixed economy in SA..."

"We at Nafcoc envisage the economy being based on public, private, small business and co-operative sectors, and with government operating some state enterprises along with same lines as Western countries."

* Namibia Option for Country Seen as Alternative

34000482A Johannesburg THE STAR
in English 20 Feb 90 p 17

[Article by Brendan Seery: "'DTA Option' for SA a Feasible Alternative"]

[Text] It has been suggested that South Africa [SA]'s "DTA [Democratic Turnhalle Alliance] option" would see an amalgam of the NP [National Party], Allan Hendrickse's Labour Party, the Indian groups in the House of Delegates, houseland leaders, Mangosuthu Buthelezi and right-leaning church leaders such as Bishop Isaac Mokoena. The objective would naturally be to build an effective moderate "rainbow coalition" as a real alternative to perceived radicals.

The South African Government, which has long used Namibia as its private constitutional laboratory, has many years of experience in effecting such alliances, having realised early on that Swapo [South-West Africa People's Organization] was the party which would probably eventually win at the polls.

Much of the policy in Namibia was directed at identifying groups—mainly ethnic minorities—who might have had something to fear from Swapo's one man, one vote, unitary state socialist republic (as it was proclaimed by them then) and playing on those fears.

And, despite Pretoria's frequent inability to resist the temptation of taking a hands-on, dictatorial approach to its proteges here, the anti-Swapo body of opinion had strengthened to the extent that it prevented a Swapo landslide in the elections in November.

The fact that the anti-Swapo groups held 31 of the 72 seats in the Constituent Assembly effectively forced concessions from Swapo in the constitution-writing process, as the organisation did not have the whiphand two-thirds majority it would have needed to force through its own constitution.

Certainly there are those in the corridors of power in Pretoria who believe the internal policy in Namibia worked and that it might be worth repeating. The election results blasted from the sky Swapo's image as "sole and authentic representative of the Namibian people" and, more importantly, did significant damage to the seemingly unshakeable theory will always sweep to power in later elections.

Men like Dr Gerrit Viljoen (an Administrator-General of SWA [Southwest Africa] at one time) must be hoping things will go as well in South Africa, and that similar, moderate decisions will eventually be arrived at via the ballot box.

*** Van Zyl Slabbert Discusses Political Changes**

34000488C Johannesburg THE STAR
in English 22 Feb 90 p 18

[Article by former leader of the opposition Dr Frederik Van Zyl Slabbert: "Whole Political Style Is Changing"]

[Text] Politics in South Africa are going to change and whites will have to get away from the system of conventional parliamentary politics they have been used to since 1910.

My impression is that the President is a man acting with confidence and conviction. He is doing so with a degree of rationality and cohesion which is refreshingly different from his predecessor's style.

The whole political style in South Africa is changing.

What President de Klerk's initiatives have done is in effect to begin to develop this new political style in which the majority of the people will inevitably impose their political preference.

This is also going to mean a fundamental adjustment in the political style and strategies of the African National Congress [ANC] and other formerly banned organisations.

They can now, for the first time in decades, enter legal political space and organise and mobilise support on a constituency basis.

This will pose challenges to traditional organisations and parties and bring about new alliances and formations.

For the first time a genuine political debate will begin to develop.

It is premature to talk about negotiations at this stage. Mr de Klerk still has some way to go before there can be a normal political climate and this is what the preliminary talks with the ANC will be about.

It is important to distinguish between the process of liberalising the political climate, an initiative which is full square with the present regime and the process of democratisation where competing political parties can begin to state the different point of view and compete democratically for support.

As far as I am concerned, I will do everything to encourage and keep up the pressure for liberalisation so the opportunity to participate democratically can come about as soon as possible.

Depending on how developments take place, I will be able to assess when and if there will be any role for me to play. I have in any case not been out of politics completely in the past four years.

I do not see any facilitating role for myself, but Idasa will in future try to concentrate more on the development of a democratic culture in South Africa.

I have been talking to politicians, including leaders of the Democratic Party and to Cape Town and Stellenbosch academics this week. I return to Oxford University at the end of the week for the second half of a sabbatical until the end of March.

*** General Reveals Details of New Jet**

34000482C Johannesburg THE STAR
in English 22 Feb 90 p 90

[Text] London—South Africa's indigenous fighter aircraft, under development as a follow-on fighter to the Atlas Cheetah, will be a new-build development of the Mirage III, Lieutenant General Jan van Loggerenberg, Chief of the South African Air Force [SAAF], has told JANE'S DEFENSE WEEKLY.

The magazine, which this week features a picture of the Cheetah on its cover, quotes the general as adding: "We are not going to build the Kfir (an Israeli fighter), but we are adopting an essentially similar approach to meeting our fighter requirements."

Features of the new fighter will include canard foreplanes, further redesign of the delta wing, increased fuel capacity, and, perhaps, fly-by-wire control.

The power plant, JANE'S reports, will be the Atar 9K-50, built under licence in South Africa.

'Satisfied'

The SAAF chief adds: "The Mirage III layout is essentially sound, although it can be considerably refined aerodynamically."

The general pronounces the SAAF "satisfied" with the Snecma 9K-50 engine, "except for its rather high dry-thrust fuel consumption. Developing a new engine indigenously is not a proposition."

South Africa's Cheetah programme, which is a comprehensive upgrade of the Mirage III force, will only provide about one squadron of modernised single seaters, the magazine goes on to report. The programme "will be limited in scope, most probably producing sufficient fighters to equip only on front-line unit".

* COSATU Starts 'Workers' Charter' Campaign

34000488A Johannesburg THE STAR
in English 23 Feb 90 p 17

[Article by Drew Forrest: "Protecting the Workers: a New Charter Campaign"]

[Text] In a South Africa [SA] suddenly pregnant with political possibilities, the labour movement is determined to keep worker claims to the forefront—and Cosatu's workers' charter campaign is part of this trust.

In its Constitutional Guidelines, the ANC [African National Congress] proposed the incorporation of a charter in the country's future constitution. Draft charters were issued last year by the SA Communist Party [SACP] and Sactu [South African Congress of Trade Unions], the ANC's labour arm, and will be used as chopping-blocks for debate within Costau.

Costau [Congress of South African Trade Unions]'s launch of the campaign at a weekend central committee meeting attended by ANC leader Mr Nelson Mandela is the climax to years of often acrimonious debate.

Initially the workers' charter demand was closely associated with independent socialists within Costau and was viewed with suspicion by "populists" as an attempt to supplant the Freedom Charter. In 1985, sections of the SACP attacked the charter proposal of Cosatu's metal union as "workerist".

There is now general consensus in the unions that workers' demands need to be articulated and codified in the transition to a new order.

At the same time, the Constitutional Guidelines, and the SACP and Sactu charters, have legitimised moves to expand and modify the Freedom Charter to suit modern conditions.

At Cosatu's national congress last year, an in-principle decision to launch a charter campaign was unanimously adopted.

Modelled on the process leading to the Congress of the People, at which the Freedom Charter was adopted, the campaign will collect workers' demands through questionnaires.

Awareness will be heightened in rallies, marches and demonstrations countrywide, and Cosatu hopes to involve other sections of the Mass Democratic Movement and the black union federation, Nactu [National Council of Trade Unions].

Once demands have been codified, the plan is to adopt a charter at a special congress late in the year.

Workers mobilisation is a key aim. Cosatu's education secretary, Mr Khetsi Lehoko, said the campaign aimed to boost unity among workers, black and white, and draw the unorganised into the unions.

But the charter itself could feed into negotiations on the future of South Africa—and the Sactu and particularly SACP documents give vital pointers as to what it will contain.

Arguing that wealth must be redistributed for the benefit of all, the SACP urges state control of the "commanding heights" of the economy and the participation of workers in planning and running businesses.

All enterprises, private and state-owned, will be "compelled to safeguard the interests of workers and the nation as a whole", it says, and steps will be taken to break "the white monopoly of ownership and managerial control".

However, it stresses that state control should be exercised "in an over-centralised or commandist way".

On union rights, the SACP says the union movement should be free of state interference and have the right to strike.

Collective bargaining legislation, "including any limitations on the right to strike in exceptional cases", will require union consent and the unions will be consulted on other labour laws.

All adults will have a right to work, a national minimum wage will be enforced and the migrant labour system phased out, the SACP proposes.

Other proposals are:

- Company assistance in providing recreational, primary health and creche facilities.
- Positive steps to correct discrimination against women in the workplace.
- Moves to break the "existing media monopoly by big business and the state" and ensure worker access to the media.

* COSATU Workers Protest Privatization

34000499C Johannesburg THE NEW NATION
in English 23 Feb-1 Mar 90 p 22

[Text] More than 20,000 members of Cosatu's [Congress of South African Trade Unions] public sector workers nationally took to the streets last weekend in protest

against privatisation of state services, which are to cause large scale retrenchments and a weakening of public sector unions.

For SA [South Africa] Transport Services (Sats) and Post Office workers, the threat of privatisation looms large.

On April 1—April Fool's Day—Sats is to go private. From that date onwards, Sats will be a public company known as Transnet.

From April 1, Sats railways will be known as Spoornet, harbours as Portnet, pipelines as Petronet and road transport as Autonet, while SA Airways (SAA) will keep its name.

The five divisions will operate as separate businesses, but the state will remain the sole shareholder for the time being.

Sats has been getting rid of staff for the past eight years in preparation for privatisation, and now employs 180,000 workers instead of the 279,000 it employed in 1982.

Its most recent ploy to get rid of workers is to offer them retrenchment packages. All workers choosing to resign before March 15 will get three months' salary and their pension contributions.

Meanwhile, the Post Office (PO) will also face changes in April in preparation for its privatisation. Three departments—Postal, Telecommunications and Banking—are to be established. As in Sats, the departments will operate independently and be expected to be self-sufficient.

The implications of this imminent privatisation for the public sector unions are very serious.

It is likely that Sats and the PO will refuse to negotiate wages and working conditions in one forum. They will probably insist that the unions negotiate separately with each department on the basis that each department has separate budgets.

Workers will thus be divided and the collective bargaining power of the unions will be undermined.

Wage negotiations by both the SA Railway and Harbour Workers Union (Sarhwi) and the Post and Telecommunications Workers Association (Potwa) are likely to be badly affected by the privatisation moves in April.

Sarhwi only begins wage negotiations in April. This was the agreement reached in late January between Sarhwi and Sats at the end of a lengthy, bitter and bloody strike.

It is probable that Sats proposed starting wage negotiations in April with the full knowledge that it would be well on its way to privatisation by then.

The only profitable departments within Sats at the moment are the harbours which made a R [rand] 543-m

[million] profit last year, airways which made R133-m last year and pipelines whose 1989 profit was R260-m.

This means that if the various Sats departments negotiate wages separately, workers in these departments are likely to get better offers than those in unprofitable departments.

The railways are the least profitable, with both passenger and goods services running at a substantial loss. This means that railway workers are likely to get the lowest wages and will be the first to be retrenched.

In the PO, postal workers are likely to be the first to be retrenched and will probably be offered lower wages than workers in the more profitable telecommunications and banking departments.

At present Potwa is demanding a minimum wage for all PO workers of R1,100 and an across the board increase of R400.

According to Potwa's vice-president, Bob Mabaso, the union will reject "different wage packages."

"Our response even when there were only rumours of privatisation was that we reject it," said Mabaso.

"We reject privatisation because it means selling the wealth of the country, and shifting ownership from the country to a few individuals. It also means loss of jobs.

"When the National Party first seized power, it was not thinking of privatisation. Now with the real possibility of a change in government, the present government is suddenly selling off state property," added Mabaso.

*** Talks To Be Held on Workers' Charter**

34000499B Johannesburg THE NEW NATION
in English 23 Feb-1 Mar 90 p 22

[Text] COSATU [Congress of South African Trade Unions]'s campaign to draw up a Workers' Charter is moving into top gear, and at last weekend's Central Executive Committee (CEC) meeting, the federation resolved to host a Workers' Charter Congress before the end of October.

The motivation for the campaign came from Cosatu's third national congress held in July last year.

The congress, which is Cosatu's highest decision-making body, resolved that such a charter should be "an instrument of struggle against oppression and exploitation" and must "serve to articulate the basic rights of workers and all toiling masses guaranteed by the constitution of a people's government."

Since the congress, both the SA [South Africa] Communist Party (SACP) and the SA Congress of Trade Unions (Sactu) have both published draft workers' charters which have added to discussion and debate.

The CEC resolved to set up a working group consisting of one representative from each affiliate to run the campaign. Cosatu's education secretary is to coordinate the group, which will fall under the National Campaigns Committee.

Using the congress resolution as a basis, the CEC defined four broad aims for the campaign. These are to:

- develop a charter of demands that will become a "fighting document" for workers now and in the future.
- strengthen the unity of the working class by uniting workers from different federations, organising the unorganised and promoting unity between black and white, rural and urban workers.
- raise the political consciousness of workers.
- encourage political discussion at all levels of Cosatu.

To ensure that the campaign is "intensive over a short period of time," the CEC mapped out three broad phases for it.

The first phase, in which the campaign will be launched, will be aimed at providing information and education.

Rallies

Thorough discussion of the SACP and Sactu draft charters will take place in this phase.

Regional workshops on the charter are to be held by April, while union rallies will be used to popularise the campaign.

A questionnaire on the charter, embodying questions on the status of workers in a post-apartheid society, has also been sent out to all Cosatu structures.

The first phase will also be a consultative one, where Cosatu will consult with other formations of the mass democratic movement (MDM) and other union bodies about the campaign, which it aims to run on a non-sectarian basis.

By June, the campaign will move into its second phase, which will be one of assessment.

The last phase will be to adopt the charter. However, the CEC stressed that the campaign should "embody a programme for sustained action and discussion even after the adoption of the charter."

"National, regional and local structures should ensure that discussions take place," urged the CEC.

"Shop steward committees must play a crucial role in drawing all workers to participate in this process.

"Women's structures both in affiliates and Cosatu should galvanise women workers to contribute in the formulation of the charter."

* Features of Communist Party Paper Discussed

34000486A Braamfontein WORK IN PROGRESS
in English Jan 90 pp 18-22

[Glenn Moss article: "Debating Socialism"]

[Text] 'Socialism is undoubtedly in the throes of a crisis greater than at any time since 1917...If socialists are unable to come to terms with this reality, the future of socialism is indeed bleak'.

This is the context in which a lengthy discussion paper, authored by the South African Communist Party [SACP]'s general secretary, Joe Slovo, asks whether socialism has failed. While publication of the Slovo article was authorised by the SACP's leadership 'as a launching pad for further critical thought', it represents 'the first reflections of the author only'.

Slovo's intervention in the debate on socialism's future is not only a response to the collapse of most communist party governments in Eastern Europe. Nor is his reassessment of the SACP simply a reaction to the changes in Soviet communism associated with the leadership of Gorbachev and the emergence of glasnost and perestroika in socialist terminology.

As early as 1985, Slovo publicly criticised aspects of the SACP's past record, and admitted to a deep shame concerning the Stalinist past. From at least 1986, observers became aware of a debate within the party over the nature of vanguardism, the dictatorship of the proletariat, the relationship between democracy and socialism and other associated issues. This debate—sometimes aired more openly than previous SACP discussions—culminated in a new party programme adopted at its 1989 congress. This committed the party to a post-apartheid society based on multi-party democracy, and guaranteeing the freedoms of speech, thought, press, organisation, movement, conscience and religion.

'Has Socialism Failed?', published in January 1990 is part of a reassessment of communist theory and practice which Slovo began some years back. The current crisis of socialism—dramatically illustrated by what Slovo calls Eastern Europe's 'popular revolts against unpopular regimes'—provides the immediate context for the question he poses. But the nature of the analysis which underlies his latest paper, shows a high degree of continuity with the position he has been developing since at least 1985.

'Has Socialism Failed?' is a longish document—some 27 pages—which ranges over many important issues, including the nature of Stalinism, Marxist theory and the crises of existing socialism, democracy, the dictatorship of the proletariat, the vanguard party, and the one-party state.

In this discussion only a few of the issues raised by Slovo are mentioned: limits of space and time prevent a fuller exploration of all the questions contained in a complex and thoughtful document.

On Stalinism, Slovo says:

The term "Stalinism" is used to denote the bureaucratic-authoritarian style of leadership (of parties both in and out of power) which denuded the party and the practice of socialism of most of its democratic content and concentrated power in the hands of a tiny self-perpetuating elite.

While the mould for Stalinism was cast under Stalin's leadership, it is not suggested that he bears sole responsibility for its negative consequences. The essential content of Stalinism—socialism without democracy—was retained even after Stalin in the Soviet Union (until Gorbachev's intervention), albeit without some of the terror, brutality and judicial distortions associated with Stalin himself.

Among a diminishing minority, there is still a reluctance to look squarely in the mirror of history and to concede that the socialism it reflects has, on balance, been so distorted that an appeal to its positive achievements (and of course there have been many) sound hollow and very much like special pleading. It is surely now obvious that if the socialist world stands in tatters at this historic moment it is due to Stalinist distortions.

Vigilance is clearly needed against the pre-perestroika styles of work and thinking which infected virtually every party (including ours) and moulded its members for so many decades. It is not enough merely to engage in the self-pitying cry: "we were misled"; we should rather ask why so many communists allowed themselves to become so blinded for so long. And, more importantly, why they behaved like Stalinists to those of their comrades who raised even the slightest doubt about the "purity" of Stalin's brand of socialism.

There are still outposts which unashamedly mourn the retreat from Stalinism and use its dogmas to "justify" undemocratic and tyrannical practices...Those who still defend the Stalinist model—even in a qualified way—are a dying breed; at the ideological level they will undoubtedly be left behind.

(Elsewhere in the document, under a section entitled 'Marxist Theory Under Fire', Slovo raises some further arguments pertinent to a discussion of Stalinism:)

'...The fundamental distortions which emerged in the practice of existing socialism cannot be traced to the essential tenets of Marxist revolutionary science. If we are looking for culprits, we must look at ourselves, and not at the founders of Marxism.

In some cases, the deformations experienced by existing socialist states were the result of bureaucratic distortions which were rationalised at the ideological level by a mechanical and out-of-context invocation of Marxist dogma. In other cases, they were the results of a genuinely-motivated but tragic misapplication of socialist theory in new realities which were not foreseen by the founders of Marxism.

The fact that socialist power was first won in the most backward outpost of European capitalism without a democratic political tradition, played no small part in the way it was shaped. To this must be added the years of isolation, economic siege and armed intervention which, in the immediate post-October (1917) period, led to a virtual decimation of the Soviet Union's relatively small working class. In the course of time, the Party leadership was transformed into a command post with an overbearing centralism and very little democracy even in relation to its own membership.

Most of the other socialist countries emerged 30 years later in the shadow of the cold war. Some of them owed a great deal to Soviet power for their very creation and survival, and the majority, for a great part of their history, followed the Stalinist economic and political model...They correctly saw in Soviet power a bulwark against their enemies and either did not believe, or did not want to believe, the way in which aspects of socialism were being debased.

All this helps to explain, but in no way justify, the awful grip which Stalinism came to exercise in every sector of the socialist world and over the whole international communist movement. It was a grip which if loosened either by parties (eg Yugoslavia) or individuals within parties, usually led to isolation and excommunication...

...The strength of this conformism lay, partly, in an ideological conviction that those whom history had appointed as custodians of humankind's communist future seemed to be building on foundations prepared by the founding fathers of Marxism. And there was not enough in classical Marxist theory about the nature of the transition period to provide a detailed guide to the future.

The development of Stalinism was based on an extremely complex interplay of factors: historical, political, economic, theoretical, ideological and even the personal. Slovo's article analyses many of these interlocking relations and structures, and elaboration of them can only serve to deepen and develop the debate about socialism's past and future.

It is probable that Stalinism needs to be characterised as more than bureaucratic authoritarianism, draining communist parties of their democratic content and concentrating power in the hands of an increasingly unaccountable and diminishing elite. Politically, that was the most striking feature of Stalinism, and allowed for the barbaric abrogation of human and civil rights which many—incorrectly—see as an inevitable consequence of socialism and/or communism.

But Stalinist theory and practice involved other important facets:

- a defence of the Soviet Union to the neglect and detriment of other socialist struggles and experiments. Internationally, this involved the subjugation of all other revolutionary struggles to Soviet foreign

and domestic needs, and drained socialism of the internationalism that had marked its origins and theory. This belief in the necessity—and later the desirability—of defending 'socialism in one country' at the expense of other socialist struggles, is an important facet of Stalinist practice and policy;

- a particular trajectory of industrialisation, 'primitive accumulation' and economic development;
- a concept of the ownership of economic property (the means of production), which in practice asserted that juridical ownership of economic property by a state claiming to represent direct producers on its own implied that the means of production were socialised. This severely limited the development of an economic democracy within production that is a crucial component of socialism;
- Stalinist economic theory—in contra-distinction to some previous socialist thought—assumed that the development of society's productive forces (often crudely assumed to refer to technology only) were the motor force of change. This emphasised technological development and relations, to the exclusion of the conditions under which production took place. This led to the prioritisation of technological development in industrial production, to the exclusion of changing the relations between direct producers, the means of production and non-producers (ie those who control the surplus generated in production). Non-Stalinist socialism views changes in this last set of economic and social relations as central to the building of socialism and/or communism;
- an acceptance that the imposition of communist rule from above—as a result of international treaties or conquest—could create conditions favourable to the building of socialism and/or communism. Non-Stalinist socialism would tend to argue that the nature of class formation and class struggle, the balance of forces between various contending interests, the development and organisation of the working class and its allies, the nature and development of productive forces and relations, and various other material factors determine the potential for a change in existing power relations, and the building of a socialist or communist alternative.

Slovo leaves open the difficult 'question of why so many millions of genuine socialists and revolutionaries became such blind worshippers in the temple of the cult of the personality', which is one hallmark of Stalinism. But he does suggest that if one is looking for culprits in the creation and development of Stalinism, 'we must look at ourselves and not at the founders of Marxism'.

The final laying of the Stalinist ghost will necessarily involve explanations of the practices of the millions of socialists, Marxists and revolutionaries who actively participated or acquiesced in the development and perpetration of Stalinism. One need not look to the fundamentals of Marxism for explanation; but looking to human agency independent of the material conditions which underpinned the dogmatic practices of 'millions

of genuine socialists and revolutionaries' who became Stalinists will not assist in answering the question Slovo poses. The behaviour of socialists who became Stalinists has to be explained by more than an analysis of individuals, their failings and responses.

On socialism and democracy, Slovo says:

'Marxist ideology saw the future State as "a direct democracy in which the task of governing would not be the preserve of a state bureaucracy" and as "an association in which the free development of each is a condition for the free development of all". How did it happen that, in the name of this most humane and liberating ideology, the bureaucracy became so all-powerful and the individual so suffocated?

To find, at least, the beginnings of an answer we need to look at four related areas:

- the thesis of the "Dictatorship of the Proletariat" which was used as the theoretical rationalisation for unbridled authoritarianism;
- the steady erosion of people's power both at the level of government and mass social organisations;
- the perversion of the concept of the Party as a vanguard of the working class; and
- whether, at the end of the day, socialist democracy can find real expression in a single-party state.

The concept of the Dictatorship of the Proletariat was dealt with rather thinly by Marx as a "transition to...a classless society" without much further definition...(It) was elaborated by Lenin...in the very heat of the revolutionary transformation in 1917. Lenin quoted Engels approvingly when he said that "the proletariat needs the state, not in the interests of freedom but in order to hold down its adversaries, and as soon as it becomes possible to speak of freedom the state as such ceases to exist. In the meantime, in contrast to capitalist democracy which is "curtailed, wretched, false...for the rich, for the minority...the dictatorship of the proletariat, the period of transition to communism, will, for the first time, create democracy...for the majority...along with the necessary suppression of the exploiters, of the minority"...

Rosa Luxemburg said, in a polemic with Lenin: "Freedom only for the supporters of the government, only for members of one party—however numerous they may be—is not freedom at all. Freedom is always and exclusively freedom for the one who thinks differently...Its effectiveness vanishes when freedom becomes a special privilege".

These words may not have been appropriate as a policy...in the special conditions of the phase immediately after the seizure of power in October 1917...But Luxemburg's concept of freedom is surely incontrovertible once a society has achieved stability....

The term—Dictatorship of the Proletariat—reflected the historical truth that in class-divided social formations

state power is ultimately exercised by, and in the interests of, the class which owns and controls the means of production. It is in this sense that capitalist formations were described as a "dictatorship of the bourgeoisie" whose rule would be replaced by a "dictatorship of the proletariat" during the socialist transition period. In the latter case, power would be exercised in the interests of the overwhelming majority of the people and should lead to an ever-expanding genuine democracy—both political and economic. On reflection, the choice of the word "dictatorship" to describe this type of society certainly opens the way to ambiguities and distortions.

The abandonment of the term by most communist parties, including ours, does not, in all cases, imply a rejection of the historical validity of its essential content. But the way the term came to be abused bore little resemblance to Lenin's original concept. It was progressively denuded of its intrinsic democratic content and came to signify, in practice, a dictatorship of a party bureaucracy. For Lenin the repressive aspect of the concept had impending relevance in relation to the need for the revolution to defend itself against counter-revolutionary terror in the immediate post-revolution period....

But, unfortunately, practices justified by the exigencies of the earlier phase became a permanent feature of the new society. As time went on the gap between socialism and democracy widened, the nature and the role of the social institutions (such as the Soviets, the Party and mass organisations) which had previously given substance to popular power and socialist democracy, were steadily eroded...

The single-party state and the guiding and leading role of the party subsequently became a permanent feature of socialist rule and was entrenched in the constitutions of most socialist states. Henceforth the parties were "vanguards" by law and not necessarily by virtue of social endorsement.

This was accompanied by negative transformations within the party itself. Under the guise of "democratic centralism", inter-party democracy was almost completely suffocated by centralism... With no real right to dissent by citizens or even by the mass of party leadership, truth became more and more inhibited by deadening dogma; a sort of catechism took the place of creative thought. And within the confines of a single-party state, the alternative to active conformism was either silence or the risk of punishment as "an enemy of the people".

It is sometimes forgotten that the concept of the single-party state is nowhere to be found in classical Marxist theory. And we have sufficient experience of one-party rule in various parts of the world to perhaps conclude that the "mission" to promote real democracy under a one-party system is impossible...

Our party's programme holds firmly to a post-apartheid state which will guarantee all citizens the basic rights and freedoms of organisation, speech, thought, press, movement, residence, conscience and religion; full trade

union rights for all workers including the right to strike, and one-person one-vote in free and democratic elections. These freedoms constitute the very essence of our national liberation and socialist objectives and they clearly imply political pluralism.... We remain protagonists of multi-party post-apartheid democracy both in the national democratic and socialist phases....

We also believe that if there is real democracy in the post-apartheid state, the way would be open for a peaceful progression towards our party's ultimate objective—a socialist South Africa. This approach is consistent with the Marxist view—not always adhered to in practice—that the working class must win the majority to its side: as long as no violence is used against the people there is no other road to power.

It follows that, in truly democratic conditions, it is perfectly legitimate and desirable for a party claiming to be the political instrument of the working class to attempt to lead its constituency in democratic contest for political power against other parties and groups representing other social forces. And if it wins, it must be constitutionally required, from time to time, to go back to the people for a renewed mandate.

The alternative to this is self-perpetuating power with all its implications for corruption and dictatorship."

From a strictly democratic perspective, there are dangers in forms of vanguardism, and the notion of the dictatorship of the proletariat, even in their historically specific Leninist definitions. These notions may not necessarily stand at variance with democracy. But there is at least a possibility that the practices which they give rise to may threaten the democratic content of socialism, depending on specific historical circumstances, and the particular phase a society is passing through in its political, economic, cultural and ideological life.

The dictatorship of the proletariat refers specifically to a period of transition from class-based to classless societies. In some socialist thought, this coincides with the transition from an intermediate phase of socialism to communism. But regardless of the specifics of the transition, the analysis underlying the dictatorship of the proletariat implies an active suppression of certain social interests (broadly-speaking, those of the bourgeoisie) as a means of strengthening other social interests (those of the working class). This poses problems for democracy, and a commitment to democratic socialism or communism.

This is, of course, the manner in which the state operates in capitalist society—although mechanisms to advance the interests of the capitalist class against those of the working class differ enormously in form and content. This involves major differences in the nature and intensity of direct suppression of working-class interests.

In much the same way, a transitional state ruling in the interests of the working class and its allies—the majority—has a variety of mechanisms available to strengthen the interests it represents, and weaken those of other

social forces. These may not necessarily involve the suppression of class interests through direct coercion implied in the notion of the dictatorship of the proletariat, which appears to contradict a commitment to democracy and its rights and freedoms.

The notion of a vanguard party is not, in itself, at variance with democratic principles. In a 1989 interview with *Work in Progress*, SACP leaders argued that 'the party's claim to represent the historic aspirations of our working class does not, in itself, give us inherent leadership rights either now or in the future; it merely imposes leadership obligations...A communist party does not earn the title of vanguard merely by proclaiming it.

'Nor does its claim to be the upholder of Marxism-Leninism give it a monopoly of political wisdom or a natural right to exclusive control of the struggle. We can only win our place as a vanguard force by superior efforts of leadership and devotion to the revolutionary cause.

'The concept of vanguard remains in place. It is indispensable for the working class to have an independent political instrument which safeguards its role in the democratic revolution and which leads it towards a classless society. But such leadership must be won rather than asserted'.

While this formulation is not necessarily at variance with a commitment to democracy, there are implicit dangers. The leadership role associated with vanguardism, and its protection of working-class interests, risks falling into the political authoritarianism associated with the 'false consciousness/true consciousness' dichotomy: the day-to-day lived experiences of the working class can give rise to interests and approaches which may contradict a vanguard party's notion of the working-class interests it is protecting and advancing. In this situation, the danger of an intellectually and organisationally sophisticated vanguard (assuming it represents the 'true interests' of

the working class, as opposed to 'false interests' which are a result of temporary error or being misled), is high.

It may be that the best democratic guarantee against the dangers implicit in vanguardism are to be found within the structures of the party itself, depending on the relationship of its leadership to membership, whether its vanguard role precludes membership of all who accept party policy or not, regularity and structure of congresses, openness of debate, etc.

Discussions of socialism and democracy can be broken down into a number of areas. These include questions concerning:

- democracy within socialist and communist parties;
- the democratic content and practices of socialist and communist parties functioning legally in opposition, but within a democratic society;
- socialist and communist parties in opposition, but functioning illegally or underground in a repressive society;
- socialist and communist parties functioning, or holding state power, in transitional periods, including transitions involving national-democratic revolutions, socialism and communism.

It might be helpful if future debates on socialism and democracy specify which of these—or other—contexts are under discussion.

'Socialism', concludes Slovo, 'can undoubtedly be made to work without the negative practices which have distorted many of its key objectives. The way forward lies within a socialist framework guided by a genuine socialist humanitarianism and not within a capitalist system which entrenches social inequalities as a way of life. But mere faith in the future of socialism is not enough. The lessons of the past failures have to be learnt. Above all, we have to ensure that its fundamental tenet—socialist democracy—occupies a rightful place in all future practice'.

Angola

* USSR Continues Arms Supplies to MPLA

34000529A Johannesburg THE CITIZEN
in English 7 Mar 90 p 13

[Article by Poen de Villiers: "USSR Supplies R1-b Arms to Angola"]

[Text] The Soviet Union has provided arms and equipment to the value of R1 billion to the MPLA [Popular Movement for the Liberation of Angola] in Angola since the Angolan-Namibian peace agreement. It's expected to continue its involvement in regional conflicts in the Third World.

This was disclosed in the most recent confidential memorandum of the Institute of American Studies at the Rand Afrikaans University, which states that support for regional conflicts in the Third World is "political insurance policy" for the Soviet Union.

The Institute said indications are that the Soviet leader, Mr Mikhail Gorbachev, was not keeping his promise to scale down support for regional conflicts in the Third World. "This development suggested a drastic reassessment on regional conflicts by the Kremlin."

It added that, apart from Angola, two other striking examples of the Soviet Union's unwillingness to scale down its support for regional conflicts, are Afghanistan and Nicaragua, and this had prevented normal relations between the Soviet Union and the USA.

According to the Institute, arms and equipment provided to the fapla [People's Armed Forces for the Liberation of Angola] forces of the MPLA, since the peace settlement included MiG 23 Flogger fighters, Hind combat helicopters and heavy artillery.

Soviet military advisers have also been training fapla forces in new techniques and strategies during the past year.

"On the other hand, the USA provided missiles and fuel to the value of only R [rand] 40 million to Unita [National Union for the Total Independence of Angola], but in recent times little of these supplies have reached Unita."

Soviet support for the pro-communist government in Afghanistan has been increased, while aid to the Sandinists is channelled through Cuba.

The Institute adds that the Bush administration is being accused by moderate members of the US Congress that it was ignoring the reality of what was happening in the Third World, while the impression was that the Soviet Union will continue to encourage regional conflicts in the Third World, "particularly with the provision of arms and promotion of terrorism."

In concentrating on involvement in regional conflicts in the Third World, Soviet strategists see it as a viable proposition, Russia would keep the conflict situation in Eastern Europe as low as possible. In this regard, it is felt, that the West regards Eastern Europe as a priority and therefore not much attention will be given to the Third World.

Mauritius

* Boolell Asserts He Will Remain With PSM

90EF0252B Port Louis L'EXPRESS
in French 28 Jan 90 pp 1, 7

[Excerpt] Sir Satcam Boolell, leader of the Labor Party [PT], has put a damper on any speculation concerning Labor's possible withdrawal from the Alliance.

Speaking at the first Red congress of this year, Sir Satcam Boolell's statement was categorical. In the same breath he explained that there is still a possibility that the MSM [Mauritius Socialist Movement]-PT alliance will endure beyond the 1992 term.

"We won a mandate from the people to serve until 1992. We shall remain in the government as long as the situation is correct; when there are problems we'll go. The MSM-Labor government can continue until 1992, afterwards, if it is possible to continue, we shall continue," Sir Satcam Boolell explained at Solferino last Friday afternoon.

The Labor Party leader maintained that his party continues to be a factor for stability within the government. "When the Labor Party is not in the government," he emphasized to the audience, "the government is not stable. Remember what happened to you during nine months in 1982."

Sir Satcam Boolell drew attention to the fact that Mauritian products will have to remain competitive internationally if Mauritius is to be able to maintain its momentum for development. "There is the potential danger—lying in wait for us from day to day—that our productivity may decline. We must exercise great vigilance, because we need to sell so many of our products in America, in Europe, and in several of the Scandinavian countries," he emphasized.

He took the occasion to ask his followers to show patience during the current political situation. Continuing on the subject of the economy, the head of the Labor Party reminded them that the concept of profit is important. He added that Mauritians should not expect to live tax free. "Some taxation is necessary," he said.

For his part, Dr. Arvind Boolell launched an extremely harsh attack on land speculators. At one point in his speech he alluded to the change in ownership at the Saint Antoine sugar plantation. He also spoke of the recent subdivisions laid out on the western coast of the island.

"Land speculation must not be allowed to destroy the welfare state," he added. "We demand that the government effectively round up the land speculators." He cited the philosophy of Sir Seewoosagur Ramgoolam, who sought to close the gap between rich and poor.

"The way many land speculators are allowed to operate, soon fewer than 10 percent of the people will be able to buy land anywhere in Mauritius," he said. He also mentioned the struggle waged by the minister of agriculture over utilization of Mauritius' so-called Marginal Lands.

As for the problems that have developed at the Habib Bank AG Zurich, Dr. Boolell asked the Bank of Mauritius to make public the reasons behind the official decision. "The Bank of Mauritius needs to tell us what Habib Bank Zurich has done," he said. "A run on the bank could begin tomorrow." He also emphasized that because of the lack of openness in the Habib Bank AG Zurich affair, repercussions are to be expected in the offshore banking sector.

Although he urged all political forces to fight inflation, Dr. Boolell emphasized that the "verbal violence" of the politicians will lead nowhere. "National unity is achieved through dialogue and cooperation. Verbal violence can divide us tomorrow into many ghettos," the young Labor Party "backbencher" declared.

Dr. Boolell also compared the situation of the Special Mobile Force (SMF), which has a budget of 81 million rupees, with that of "the hospital, which doesn't have the money to pay overtime to the doctors and where patients...lie on dirty bedsheets."

Turning to the subject of parliamentary interpellations, Dr. Boolell contended that it is his duty to question the government concerning current problems. "I have the right to interpellate it," he said. "We disagree with its extensive privatization of many state monopolies, and for that reason we have the right to ask questions."

He also appealed for a more humane approach toward small businessmen who are having trouble repaying their loans. "If we are able to write off a total of 130 million rupees of the debt of many big businessmen," he added, "it is not right for us to attach the assets of many small businessmen."

Several other PT speakers addressed the audience at this first Labor Party congress.

*** Boolell Asks Muslims To Rally Behind PT**

90EF0307C Port Louis L'EXPRESS
in French 27 Feb 90 pp 1, 5

[Unattributed article: "Dr. Arvind Boolell: 'Come Dressed in Red and Be at the Rally on 1 May'"]

[Text] Speaking on the theme of national unity, Sir Satcam Boolell, leader of the Labor Party [PT], said he sees no reason why a member of the Muslim community

could not someday become prime minister of Mauritius. Boolell made this remark yesterday afternoon at a PT congress in Plaine-Verte.

The PT leader said that in the past his party had shown its confidence [in Muslims] by naming Sir Raman Osman governor general and appointing Sir Cassam Moolan chief judge. He added: "We in the PT do not just look for people in our own [religious] community, we look for anyone with talent."

He called on Mauritius's Islamic community to rally behind the PT to help the country maintain national unity. "People have been too fickle in the past; what you need now is discipline; you need to identify with and get behind one party committed to national unity."

Sir Satcam believes certain foreign investors have committed too many abuses in Mauritius. It is time for Mauritians to get some of the benefits, he added.

In conclusion, he said the PT will stay in the government until its mandate expires in 1992. "PT will meet its obligations. If we are out of the government, no one will be able to do anything for our country."

Dr. Arvind Boolell said many people like Sheik Hossen are popping up around Mauritius. In that connection, he added: "There are all manner of criminals out there whose credentials look very respectable." However, he did not go into detail on the subject.

Dr. Boolell also said the growing drug problem in Mauritius is very serious and a solution must be found at all costs.

Toward the end of his remarks, he invited the audience to attend the rally on 1 May, and especially urged them to wear red. He added: "In 1992 we need to be the driving force in the alliance."

James Burty David let it be known that some people have said Plaine-Verte is MMM [Mauritian Militant Movement] territory, but in his view it is "Labor Party territory."

*** MMM Alliance With PT, MSM 'Unlikely'**

90EF0252A Port Louis L'EXPRESS
in French 28 Jan 90 p 7

[Excerpts] The Mauritian Militant Movement (MMM) cannot foresee any alliance either with the Labor Party (PT) or with the Militant Socialist Movement (MSM), declared Paul Berenger, secretary general of that opposition party, who went on to enumerate his reasons. He also criticized the current attitude and policies of the government and endeavored to refute the rumor according to which certain MMM deputies will join the MSM. In his party, he said, politics is not the "art of the possible." He was speaking last Friday afternoon in Bel-Air, at the first meeting held by the Mauves in 1990.

A Wave of Price Increases

Speaking last on the program, Berenger criticized the government for its policy whereby a wave of price increases was imposed on the population at year's end, for its communalist policy, for its antidemocratic attitude in suppressing the peaceful demonstration by the opposition in front of the offices of the MBC [Mauritius Broadcasting Corporation] last year, for its partisan politicking during the meeting between the prime minister and the students, for its inaction with respect to the textile fraud that shocked the free-trade zone recently, and for its pleasure seeking tendencies. [passage omitted] He also branded the government's economic policy as unacceptable.

He also cited the case of Dr. Arvind Boolell to support his contention that the government Alliance is tottering and that early general elections are to be expected. "In LE NOUVEAU VIRGINIE Arvind Boolell said as much," Berenger declared, "namely that the government's policy is one of terror and vengeance, after which Jugnauth said that Arvind should be 'mette dife'" [translation unknown]. Immediately thereafter the Labor Party pulled back and voiced its solidarity with the MSM. It's a very serious situation when Jugnauth calls his deputy prime minister's boy a political joker. There can be no doubt that early general elections are in prospect."

An Open Door

Berenger said that the statement by Dr. Arvind Boolell to our colleagues at LE NOUVEAU VIRGINIE leaves the door open for an MMM-PT agreement, but that the PT lost some of its credibility because of its sudden changes in orientation. "Yes," he said, "after Arvind's statement in LE NOUVEAU VIRGINIE. The MMM and PT might be able to work together, but the PT zigzags too much. It lost its credibility because of all those zigzags. Moreover, there are many PT leaders who are closely associated with many MSM leaders. It's too soon to say whether the MMM and the PT can join forces."

As for the possibility of an MMM-MSM alliance as some are suggesting, Berenger said that although it was true that the MSM's position on foreign policy tended to approximate that of the MMM, there were still too many important differences between the MMM and MSM in the areas of democracy, national unity, economic policy, and even foreign policy. "That's why," he said, "the MMM is unable to reenter the government." Recalling the well-known dictum that "politics is the art of the possible," he declared that at the MMM, politics was not the art of the possible. "In the politics of the MMM," he said, "it is not true that everything is possible. The MMM is able to do whatever is needed to implement its platform—perhaps not 100 percent—but it is a platform with a correct socialist policy. The MMM is a genuinely democratic party. Before we take any decision of whatever sort, we get the approval of the people. The MMM is the only party capable of running all by itself in an

election. It can run alone. If we ever make an alliance with another party, it will be on the right basis, with the right platform, and at the right time."

Also present at the meeting were Prem Nababsing, Zeel Peerun, Cassam Uteem, and Jean-Claude de l'Estrac.

* Police Forbid PMSD To Hold Meeting

* PMSD Challenges Action

90EF0300A Port Louis LE MAURICIEN
in French 16 Feb 90 pp 1, 12

[Article by Jean Marie Poche: "Contestation Before the Supreme Court;" first two paragraphs are LE MAURICIEN introduction; passage in italics published in English]

[Text] Police Mentions "Public Security."

The Mauritian Government: "It is not the meeting that forbidden, it is the location that presents a problem."

This morning Nanda Kisten informed LE MAURICIEN that the PMSD [Mauritian Social Democratic Party] had decided to contest, before the Supreme Court, the police decision to forbid the meeting, which the party was to hold on the parade ground on next 3 March. This morning in his capacity as secretary general of the PMSD, he was to file an affidavit before the Supreme Court in order to justify his party's request.

The affidavit recalls that all necessary procedures have been followed in order to obtain the police inspector's authorization to hold a meeting and it emphasizes that the authorization has already been obtained from the municipality. It further specifies that the PMSD has already held a series of regional meetings in preparation for the 3 March rally and that no incidents have been reported in those meetings. The police inspector's decision was qualified as "unreasonable, arbitrary, oppressive and prejudicial to the right of the PMSD." In addition, the affidavit points out that such a refusal is not easily justifiable in a democratic society like ours.

In order to prohibit the meeting, the police inspector had mentioned "public security" in a letter addressed to the PMSD and dated 13 February.

This morning, in the prime minister's office, there was mention of confusion around this interdiction. It was pointed out that forbidding the meeting had never been at issue. According to a spokesman of the prime minister: "the interdiction is aimed only at the site, which presents a problem."

Political circles strongly condemned the police decision. Dr. Prem Nababsing, the MMM [Mauritian Militant Movement] leader, termed it "absurd" and "anti-democratic."

Dr. P. Nababsing, who maintains that, like all the other political leaders, Sir Gaetan Duval has the right to

express his opinions, declared: "Mauritius being a democratic country, each and everyone can hold a meeting, the more so as the PMSD holds rallies everyday." However, the MMM leader expressed reservations about certain political parties that hold meetings in front of some people's houses. "Politics and people's private lives, and especially those of politicians' family members, should not be mixed. It is meddling in people's private lives."

Sylvio Michel, the FTS [Socialist Workers Front] leader, termed this refusal "ridiculous." Even if the government disagrees with Sir Gaetan Duval, it cannot deny him the right to hold his meeting, which was announced some time ago. Michel asked the police inspector to rescind his decision.

He further pointed out: "We are living in a country that claims to be democratic and it is ridiculous for the CP [police inspector] to forbid this meeting. This recalls the years of interdiction under SSR's [Sir Seewoosagur Ramgoolam] regime."

As of this date, the PMSD leaders have not commented publicly concerning this interdiction. The PMSD leader did not attend the meeting held by his party in Eau-Coulee on the afternoon of 15 February and the main speakers did not raise the issue. Sir Gaetan Duval intends to offer his commentaries during a press conference to be held in the morning of Saturday 17 February and during a meeting in the courtyard of Curepipe City Hall that afternoon.

* Kowlessur Explains Reasons

90EF0300B Port Louis LE MAURICIEN
in French 16 Feb 90 pp 1, 12

[Article by Jacques David: "Forbidding the 3 March Meeting Was Never at Issue"]

[Text] This morning, Police Inspector M.B. Kowlessur pointed out in a statement to LE MAURICIEN that prohibiting the PMSD [Mauritian Social Democratic Party] meeting planned for 3 March was never at issue. "The interdiction concerns the site, which is located in front of the tobacco shop at the entrance of the parade ground. According to the police inspector, holding the meeting at this intersection of the capital could create many traffic problems. The police inspector added that, "we obtained trustworthy information that violence during that meeting could affect public order and, taking into account yesterday's incident that saw former MMM [Mauritian Militant Movement] mayor Canoosamy attacked by a PMSD agent, the police are convinced that suitable security measures could not be deployed at the entrance of the parade ground." However, Kowlessur declared that the PMSD could hold its 3 March meeting at a more suitable site. Asked if the PMSD could hold its rally a little farther down from the indicated location, we were told that, as long as the police could set up security measures, there would be no objections.

Mozambique

* Chissano Continues To Support Hama Thai

34000496B Paris THE INDIAN OCEAN
NEWSLETTER in English 17 Feb 90 p 4

[Text] At the end of the meeting which took place on 9 February in Maputo and which lasted some 10 hours, President Joaquim Chissano refused the resignation of the Commander-in-Chief of the Mozambican Armed Forces, Lieutenant General Hama Thai.

The Commander had handed in his resignation last August after the defeat of a joint offensive led by the Mozambican forces and their Zimbabwean counterparts against the headquarters of the RENAMO [Mozambique National Resistance] at Gorongosa in Sofala province in the centre of the country the previous month. The Mozambican forces had also obtained information maintaining that Afonso Dlakshama and other RENAMO leaders were stationed at the Malossa base in the north of the central province of Manica, but the military operations undertaken to try to capture them were a failure.

According to information obtained by THE INDIAN OCEAN NEWSLETTER from a military source, "Lieutenant General Hama Thai could not explain how the RENAMO leaders like Bob Chalton and Avelino Samuel managed to escape." When he handed in his resignation, the Lieutenant General explained that he thought he was not respected by some of the superior officers: those who had become a part of the armed struggle at the beginning of the sixties while he himself only joined in 1969. In 1987, during military restructuring, Lieutenant General Hama Thai was appointed Commander-in-Chief of the Mozambican forces by President Joaquim Chissano. According to the same source, the Mozambican officer "has had no military success and it has been clearly established that certain elements within the Armed Forces sabotaged plans in order to criticise his incompetence." In the circumstances, President Chissano has assured Hama Thai of his support.

At the same time, Joaquim Chissano ordered the chief of military security, Brigadier Lagos Ledimo and Chief-of-Staff, General Salvador Mutuhuke, to await new commands. Last November, Lagos Ledimo refused to join the Mozambique People's Police Force and General Mutuhuke was accused of corruption. Both men played an important role in the Mozambican military hierarchy, but they were not on good terms with Hama Thai.

* Reporter Visits Country; Describes War

90EF0289A Brussels LE SOIR
in French 30, 31 Jan, 1 Feb 90

[Article by Roger Job: "Mozambique: The War Without a Name"]

[30 Jan p 2]

[Text] Mozambique achieved independence on 25 June 1975 with the fall of the Portuguese empire (Angola,

Cape Verde, Guinea-Bissau, Sao Tome and Principe). Samora Machel's FRELIMO (Mozambique Liberation Front), the real hero of independence, took power.

A vast country 802,000 km² (26 times the size of Belgium), lying on the edge of the Indian Ocean and peopled by 15 million inhabitants, this former Portuguese colony in southern Africa now ranks among the poorest countries on the continent despite impressive agricultural, mining, and hydroelectric resources. Independent journalist Roger Job has just returned from Mozambique and gives us his own account.

Bled white as it emerged from colonization and deliberately underdeveloped by the Portuguese (93-percent illiteracy, a deplorable health situation, and a long—over 10 years—and difficult war for independence), the country has never been able to develop its potential. The Mozambique Liberation Front (FRELIMO), the sole party in power, which waged the struggle against the colonizer from 1962 to 1975, failed to pull the country out of a gloomy economic situation.

For good reason, RENAMO (Mozambique National Resistance), formed in 1976 by Ian Smith's Rhodesia and replaced since 1980 by South Africa, destabilized the country by waging anti-Marxist guerrilla warfare that caused great destruction and sabotage, paralyzed agriculture, and sowed terror throughout the country. Over three million persons left their rural homes or native villages seeking refuge near the big cities, military bases, or neighboring countries.

Tembo is seven or eight years old. He is a handsome child although somewhat thin and delicate, with big eyes that stare off into space and small hands that tremble. He does not know how old he is. He has never gone to school; it is too dangerous. He left his native village two years ago, two years of flight and refugee camps. They killed his brothers and his father disappeared during the attack.

Anuario is nine. He is a patient in the rural hospital of Vilanculos. A smile is frozen on his face. He was tending his goats when they attacked. Using machetes, they cut off his parents' ears and lips and forced them to eat them. They were then led away by force into the "mato," the Mozambican savanna. After walking for several hours, Anuario managed to escape, but when he arrived at the village, he stepped on a mine and lost his left leg.

Zumbulane Andessene is a dignified, respectable, old man. His white beard is in stark contrast to his ebony cheeks. He wears a faded checked shirt and his gestures are slow and studied. As if not to forget a single bit of the truth, he tells his story in minute detail. He has nothing left. With his wife and children, he lived in the region of Mutarara along the Zambeze River. He now lives alone in a cloth tent rented to refugees. At about 0500, when the sky is beginning to turn pink and then blue, they invaded his village screaming. They threw his pregnant wife into the well, then decapitated his daughter, Soraia (10 years old), and forced her brother, Filipe (9), to carry her head on his own as far as the central base. After a

forced march lasting six days and six nights, Filipe died of exhaustion. Andessene had to spend five years in slavery, a veritable beast of burden. A few months ago, the army ended his nightmare. Only 43, he looks 70.

Forgotten War?

Raw hatred and violence, unspeakable cruelty. Nothing but ordinary scenes from daily life in Mozambique. "They...." Who are the bloodthirsty "they"? The *bandidos armados*, "armed bandits," as the people call them, people who never speak of war or politics, but only of the *situacao*, the current situation, or the *confusao*, a term designating both the confusion and misunderstanding, attacks, and ambushes.

"What is happening in Mozambique is one of the most brutal holocausts since World War II," Roy Stacey, American under secretary of state for African affairs, said over a year ago. And yet, every day, without ever making the front pages, the deaths pile up. On the telex of AIM (Mozambican press agency) and international organizations, news about sabotage, attacks, and death are practically daily fare, coldly reported with terrifying offhandedness.

Death Cocktail

War and chronic starvation make up a terrible death cocktail for this nation, which has not known peace since 1964, the beginning of the *luta armada*, the armed struggle against the Portuguese, and the date of the first shot fired for independence by Samora Machel and his troops.

Actually, since 1976, RENAMO has created one of the worst human disasters of the modern world in Mozambique. According to one UN report published in October 1989, 900,000 persons have died under unspeakable conditions: shootings of civilians, machete or ax murders, the burning of huts, deliberate drownings, suffocation. Never have the rebels tried to win the loyalty of the people, but they maintain zones of forced labor where civilians work the fields to feed the troops. Torture and death by exhaustion are commonplace. Locked up like slaves at night, they work the rest of the day under the iron hand of their guards. Women raped and beaten to death, children kidnapped and turned into bloody warriors, and so on, have generated one of the biggest tidal waves of refugees in the world. Twenty percent of Mozambique's population is displaced or has fled to neighboring countries. In 1988, on the basis of 196 interviews with refugees who escaped from RENAMO, the Gesony report, named after the American diplomat, provides proof of atrocities committed by the armed bandits, 43 pages that could be entitled "Trip to the Depths of Horror!"

Pseudo Lions Against Real Bandits

The "lions of the forest," the name given to militiamen of the official army, try without great success or enthusiasm to counter the actions of the armed bandits (RENAMO). FRELIMO's 35,000 men are an army in flight,

poorly equipped, barely trained, and completely demoralized. The Mozambican Government hoped that RENAMO, by virtue of its crimes, would politicize and motivate young people who never knew the humiliations of the colonizer. But the opposite happened. Everyone is now trying to forget and get as far away as possible from an incomprehensible war that never ends. In order for young people to consent to do their duty, army recruitment resembles sweeps of young people in the streets, on the way out of movie theaters and the schools. Discharge can take place months or even years after the two required. Armindo, 25, from Imhambane, puts in the maximum number of overtime, even Saturdays and Sundays, in order to avoid any meeting with soldiers ordered to recruit militiamen. He has already done his military service, but someone stole his discharge papers.

Major Mariano Monteiro is responsible for protecting the village of Chifunde in the country's northern region, not far from the Zambian border. With some 250 soldiers, he provides security for 1,000 to 2,000 persons. For over a year, they have received no pay or food. Their uniforms in rags, some soldiers wear nothing but underpants and carry sawed-off Kalashnikovs.

Monteiro has no news of his wife, who stayed behind in Tete, the provincial capital. He knows only that one of his children starved to death. How do they survive, he and his men? "We manage," he says laconically, which probably explains why they are as feared as the rebels!

Tired of this seemingly irresolvable conflict, the people tend to consider the war to be a fight between two private and rival bands. The people have been the victims of extortion by the army or the official militia. Such crimes probably justify the total absence of any commitment on their part, commitment without which the war remains a private war between two rival bands. Alcidio Abou, a skinny peasant from Mabote, a small district suffering from a terrible drought, halts work in his *machamba*, his vegetable garden, for a few minutes. Speaking in a low voice, he tells us: "RENAMO is unquestionably more violent than FRELIMO. They kill for pleasure, for no reason. Their only purpose is to destroy, make war. As for the FRELIMO soldiers, they kill because they are hungry; they are neither paid nor fed. Furthermore, they say they want us together so they may protect us, but isn't it rather so they can hide behind us when the attacks come? Consequently, we are afraid of any man we meet...."

Wait and Hope

Some 850,000 Mozambicans have now fled to Malawi, a small mountainous country half of whose territory is hemmed in by Mozambique. The Malawians receive them warmly: "They are our brothers." Actually, they belong to the same ethnic group (Bantu) and speak the same dialect: Chichewa. Because the border is not of their making, they are joined by many family ties. Villages sometimes bear almost the same name, like Milange, abandoned by Mozambicans who have gone to

Mulanje in Malawi. The road forming the border between the two countries is absolutely surrealistic.

A typical example: The small village of Lizoulu between Ntcheu and Dedza on the road to Lilongwe, capital of the country. On the right, Malawi; on the left, Mozambique. On the Malawian side, groups of little straw huts, hundreds of people, yellow, blue, or pink stores, fruit and vegetables markets. Stretching as far as the eye can see on the other side, chaos, nothing but looted buildings, abandoned land, and no one, not a single soul! "Because of the 'devil's seeds,' antipersonnel mines the bandits love to leave behind," is the explanation given by Alberto, a refugee who fled to the former British protectorate a few months ago.

When they can establish residence in Malawian villages or when there is not enough arable land to divide up, Mozambican refugees are taken to camps set up by the High Commissioner for Refugees (UNHCR) and the Malawian Government. Some camps house up to 30,000 persons, where new arrivals are grouped together according to their native village. Once registered, they receive their "refugee card," a veritable passport for food, clothing, mats, and covers, which they will receive from the Malawian Red Cross. They will then receive cooking utensils and materials needed to build huts.

In the south, the Mkhayi camps ("death camps," in the language of the Lomwe, the country's second-largest ethnic group, because they are located on absolutely sterile land) house some 10,000 Mozambican refugees. The camp resembles a small town, orderly and clean. It is divided into sections, where the former village chiefs have become administrators responsible for anything having to do with ordinary hygiene, sanitary facilities, problems with food, and so on, in their district. Here women learn to bathe their children and oversee their diet while singing to the local beat. In an "absolutely British fashion," everything is organized and planned. All medical facilities are managed by MSF [Doctors Without Borders] France and practice no discrimination whatsoever against Malawians, who have easy access to such "providential" health care. In the camp enclosure, smiles are seen much more frequently than in Mozambique. Joy at finding safety is visible and truly perceptible. Every two weeks, food rations arrive and distribution takes place without problems and without pushing and shoving. Minor trades are beginning to be practiced and skilled men find work in Malawi.

UNHCR official Michael Owor is more than a little proud of the aid provided by this UN organ: "In these different camps, it is easy to observe that refugees are well-treated. And yet, the most important thing today is to repatriate these people who (the official says) have had enough of being totally dependent. They are tired of being far from home and on as instance. They are homesick: homesick for their country, their village, their own land to cultivate. In the case of voluntary repatriation, we (the HCR) give them aid parcels: food, seed to begin to grow crops, the different items they need in their daily

life. They are either repatriated by plane or truck, depending on what safety exists in the regions they must cross.

People Held Hostage

But the general opinion in the camps is diametrically opposite: "Go home? What for? To get slaughtered or robbed? We didn't come all this way to go back to certain death now!" is the unanimous answer of many refugees. One has to observe that most did not leave the country specifically out of fear of RENAMO, but to escape the war, proving once more the private nature of these struggles in which the people are absolutely not involved.

At the time of the Mkhwayi visit, the refugees did not yet know of decisions coming out of the second meeting of the tripartite commission in Maputo (capital of Mozambique) on 1, 2, and 3 November 1989, a meeting bringing HCR officials together with Malawian and Mozambican Government officials. The latter decided to repatriate 250,000 to 300,000 persons starting in 1990. Those refusing such "voluntary" repatriation would be transferred to the northern Zimba region of the country, where there is nothing, nothing but space, that is! Mozambican Minister of Interior Antonio will come himself in early 1990 to organize propaganda encouraging people to leave. "Everything will be done to make returning attractive. The security of zones involved in such repatriations will be guaranteed," he announced, a curious claim in a country where 90 percent of the territory is officially declared "dangerous."

These decisions bring up the question of whether problems as serious as 850,000 refugees can be handled by official international agencies in which politics between nations undoubtedly carry more weight than human welfare! Refugees are consequently the victims of blackmail and other international political haggling through the HCR, which is reduced to silence! It is clear that both countries take advantage of the refugees. Mozambique claims the camps are hotbeds of RENAMO rebels seeking rest and that, whatever the case, the return of these persons will mean quantities of foreign exchange accompanying international aid. If repatriations begin around May or June of 1990, the people will not be able to grow crops before October or November (rainy season). The first harvests would not come before April or May of 1991! Consequently, without food aid, it is actual planned starvation that is on the agenda.

In Malawi, a rare drought (it has a protective microclimate) and the perpetual influx of refugees (a 10-percent increase in population) have eaten away at reserves of corn, the basic foodstuff. Another important fact: The country's foreign exchange income is threatened by the effects of AIDS. In 1990, South Africa would dismiss 9,000 Malawian workers infected with the virus.

Convoy for Survival

In order to leave Malawi and return to Mozambique, only one road is possible: from Blantyre (Malawi) to Tete

(Mozambique). On the border of what was formerly Nyassaland, a large black billboard with the words "Convoy for Survival" calls out to the traveler. The departure time of the only daily convoy is given, along with strict security instructions. The first order to be obeyed: to place oneself under the responsibility of the Zimbabwean major acting as column commander. Except for this road connecting Malawi with Zimbabwe through Mozambique and the Beira corridor, all roads in Mozambique lead to certain death. Travelling in an armed column is the only way to move about with what amounts to only relative safety.

The time is 0500 and customs formalities are beginning. No problems on Malawi's side. Dozens of hauliers dripping with sweat rush around getting the necessary papers stamped. Every day some 100 container trucks bearing exotic names: TAE (Trans Africa Express) or Wheels of Africa, take this sole route to Zimbabwe, Botswana, South Africa, or the Beira corridor. All of Malawi's imports and exports have to go to Mozambique over this road under heavy surveillance. A few private cars mainly belonging to Indians, kings of trade in these regions, accompany the column. Mozambique has to wait and then wait some more. A battalion of Zimbabwean soldiers is waiting for the convoy. Truckers and soldiers know one another and exchange juicy mangoes for cool South African beer. A few prostitutes quietly wait for truckers 15 minutes ahead of schedule to spend the last kwachas (Malawian currency) before leaving.

It is 0830 and the Zimbabwean major issues his instructions to newcomers. If the convoy is attacked, vehicles are to stop immediately on the lefthand side of the road to let the light tanks through. No running. One is to get out of the vehicle calmly, hide behind the rear wheels of the trucks, and wait. "We will take care of the rest," the major proudly proclaims, having never been forced to do so. Some hauliers have even planned for such an eventuality: Under the trucks a few cans of beer are stashed in case the fighting drags on!

Somewhere between Mad Max and a lunatic ride, the convoy gets under way. With metal bars 10 cm in diameter welded in front, the truck cabs look like huge ice hockey helmets. "The bandits often try to stop the column by barring the way with tree trunks. When that happens, one has to do everything possible to avoid the ambush and drive straight through," is the explanation given by Simson, who is hauling a few tons of tea today.

Leading the convoy, a fast Zimbabwean tank opens the way. Through tiny holes in the metal, four powerfully armed men keep watch on the left side of the road, while four others take the right. There is one tank for every 30 trucks. The convoy forges ahead at over 100 km an hour, leaving a maximum five meters between trucks. It is a hellish drive with several monsters running abreast. A child would be crushed only a few kilometers after we left. "We can't stop. It might be a trap," Simson yells in my face, cutting off any indignant protest. There is nothing to see along the way. Both roadsides have been

cleared for 15 meters to give the soldiers better visibility. Further on is the savanna, from which an attack could come at any time. Skeletons of trucks riddled with bullets or mortar shells give rhythm to the trip and remind one of the danger one might otherwise have forgotten after a hundred or so monotonous kilometers.

This time the column reaches Tete, Mozambique's provincial capital, without incident. Half the trip is over. Crossing the Zambeze River, the convoy meets another headed in the opposite direction. The two commanders exchange news and the column resumes its trek to Zimbabwe, whence it could continue in complete safety to the Beira corridor leading to the Indian Ocean. A detour of hundreds of kilometers....

Anguish of Beira Corridor

The Beira corridor comprises 300 km of vital communication with the Zimbabwean hinterland and the Zambian and Zairian copperbelt. This corridor, which literally cuts Mozambique in two starting at the port of Beira (the country's second-largest city) as far as the Zimbabwean border, comprises the sole access to the sea outside of South Africa (Durban). Zimbabwe's veritable umbilical cord, this communications network (port, road, railroad, oil pipeline) is now under heavy surveillance.

To date, Zimbabwe has deployed 15,000 well-trained men, thanks to whom this corridor has become the only road to Mozambique on which one can travel freely between 0800 and 1500. Despite this beefed-up presence, incidents regularly remind one it is not 100-percent safe, incidents such as the one in which an FAO [UN Food and Agriculture Organization] expert was executed at the end of 1989, only two km from the main road. Vital to Zimbabwe, this corridor is also a veritable financial windfall for Mozambique, inasmuch as it is one of the country's main sources of foreign exchange revenue. Due to the relative security reigning in the vicinity of the system, an actual commercial and industrial zone has been developed here.

With the mission of making up for the deficiencies of the Mozambican Army, the 15,000 Zimbabwean soldiers hand the Mozambican military a veritable slap in the face. Nevertheless, many Zimbabweans have the feeling that they are paying a debt to Mozambique, a moral debt contracted by the former Rhodesia when Robert Mugabe (now president) received aid from FRELIMO troops in overthrowing Ian Smith's White government in 1980.

John Isiah Mavhuna is one of many Zimbabwean soldiers serving in Mozambique for two years. He goes home to Hasare only once a month. A professional soldier with the most advanced training British instructors could give him, he sneers at the Mozambican soldiers, whom he openly calls cowardly and lazy troops who run from battle. "Furthermore, most of the weapons we take from the armed bandits are those left behind by FRELIMO," he adds.

Actually, this Zimbabwean military commitment to Mozambique helps increase Zimbabwe's budget deficit by greatly reducing the country's investment possibilities.

Along the corridor, thousands of *deslocados* (displaced persons) come together hoping to be able to live in peace. Sometimes between the road and the railroad, they once again begin to grow sweet potatoes, manioc, and corn, surrounded by deep trenches guarded by batteries of machineguns, bazookas, and radio communications as their decor.

Olivier Joseph, a doctor from the world of the Nhamatanda Hospital Without Borders in the Beira corridor, explains: "Most patients prefer to leave the hospital at night. Medicine is either hidden in fake ceilings or buried. Some nurses even sleep in the trees. Incidents are the most frequent on moonlit nights."

Martyred Children

Those who suffer the most from the *situacao* are the children. When they are not the first victims of the starvation that is an inherent part of war or the climate, they frequently lose a leg playing in mine fields sown around villages by the armed bandits. During attacks, RENAMO usually captures the maximum number of children it can between the ages of six and 12. These children are taken by force to secret bases and turned into bloody killers. Once indoctrinated, there is a terrible initiation consisting of coming back, often drugged, to their own villages to kill the members of their own families. It is one way for RENAMO to make sure of the soldier's loyalty. For these marked children, no reintegration will ever be possible.

In September 1989, during the last attack on Chokwe, Gaza Province, one of the bandits got lost. Armed with an automatic rifle, he started wandering around the village. A few haphazard machinegun bursts announced his presence. He was very quickly surrounded and captured. He was seven years old!

When a village is attacked, families are frequently broken up. In the escape and exodus, children get lost. Some 300,000 children are lost or orphaned in Mozambique. "Save the Children," an American humanitarian organization, tries to reunite such families. The children are photographed and posters with dozens of little black-and-white pictures are handed out in the cities in search of information. When a child is found, reunions are organized. Enter Pierre, a pilot for Aviation Without Borders, which brings the children back. This Belgian nongovernmental organization of volunteer pilots agrees to fly for humanitarian organizations.

For such children, most of whom come from regions inaccessible by road, flying is the only means of transportation. With his Cessna, a veritable "sky jeep" that can land almost anywhere, Pierre takes the children back to families they have sometimes not seen for years. His mind's eye is filled with memories of extraordinary

meetings, relatives frantically running, interminable embraces. His ears still ring with cries of joy, names called hundreds of times, the endless *obrigado, obrigado* ("thank you" in Portuguese).

Although Save the Children covers only 10 percent of the territory, 5,000 children have already been registered by the organization and nearly 2,000 families have been reunited. In addition to the work of identification and research, major psychological rehabilitation must help these children who have lived through horror. Those recruited by the armed bandits are the most marked. They have suffered enormously from violence, hunger, and discipline.

After being recovered and before receiving amnesty, they have to go through the terrible *Segurancia*, National Security, men willing to do anything to get maximum intelligence about RENAMO, its secret bases, weapons, names of leaders, and so on.

[31 Jan p 2]

[Text] As we reported in our previous edition, the Mozambican "paradise" reduces its people to life under conditions bordering on hell, with constant anguish, latent danger, and general confusion.

In this universe on the brink of chaos, many political, economic, strategic, and even humanitarian interests are pitted against one another. Given this situation, it is very difficult to claim that Mozambique holds the cards to its own future. Does it even know how many players there are? We are now publishing the second segment of the report filed by independent journalist Roger Job, back from Mozambique.

Active in the country since 1986, Doctors Without Borders (MSF)-Belgium furnishes substantial aid to the people. Integrated into the national health program modeled after that of the World Health Organization, the MSF is in it for the long term. For Dr. Luc Vanderveken, national coordinator based in Maputo, "the important thing is motivation: encouraging health officials from the minister on down to the nurse by providing material, being present, training personnel, generating an overall vision of health."

Two teams and two airplanes must carry out this ambitious program, the first in Vilanculos in the south and the second based at Moatize, Tete Province, in the northwest. In this region bordering on Zimbabwe, Zambia, and Malawi, the movement of refugees is particularly great. The MSF must make up for the effects of isolation: malnutrition, the outbreak of epidemics, limited medical personnel, interruptions in supplies of medicines, vaccines, and so on. Since travel by car is absolutely impossible, planes are needed every day. At the end of April 1989, Dr. Crismer's car was blown up when he drove over an antitank mine. Seriously wounded, he had to be put on an emergency flight out.

It is 0600. Today it will take over two and a half hours by plane to reach the district. The plane is carrying Dr. Manuel Bottiaux and Dr. Michel van Herp, blankets, oil, sugar, and flour for undernourished children, a refrigerator filled with small vials of vaccine, and "Russel Kilner," a Zimbabwean pilot with some 10,000 hours of flight time, shot down five times during Rhodesia's war for independence. He knows about flying over war. On 30 November 1989, he was still escaping from the crossfire of rebels as he flew between two hills.

Taking off in a winding path to avoid possible low-altitude gunfire around the airport runways and heading northwest, Russel never takes the same route twice in order to avoid being ambushed. The flight plan is secret and coded. Today we will go from Tango to Charly through Lulu!

Two and a half hours over the savanna, where all life seems to have disappeared from the abandoned villages, land has been left to return to its wild state, and not a single animal is to be seen. "Even the elephants and antelope have fled Malawi," Russel says, shouting over the Cessna's roar. For several kilometers, the plane follows a tarred road barred by tree trunks or cut by narrow, boobytrapped trenches. Rusted truck carcasses dot the road every five km. The arches of a solid Portuguese bridge have collapsed into the river in two places.

The village comes into view. All permanent buildings have been destroyed; the roofs have disappeared. At cardinal points, four rusty tanks stand guard, motionless. A double trench surrounds the village. Russel notices children playing. Further to the left is the military camp enclosure where the soldiers are visibly not on alert. The Cessna starts to descend rapidly. Scarcely have we touched down when hundreds of children surround the plane. "Mr. Doctor, Mr. Doctor," they whisper. They spontaneously offer to carry medical equipment to the health clinic on their heads. Russel turns the plane around, sets the precise time of departure, and waits, ready in case of alert. Soldiers come running to cadge American cigarettes.

The two doctors are already starting to work. Their time is limited. At the clinic, a large group has already assembled. The adults are disappointed; they were hoping for food. In a few hours, some 100 tots will be given several vaccinations.

As soon as they are vaccinated, they begin to cry. First one, then two, then dozens; the din is impossible to stand. "When they scream, it is easier to give them the three drops of vaccine by mouth," Manu jokes.

This time there are no war casualties, no legs blown off. "Last week, a farmer came with his chest pierced by four bayonet wounds," the young doctor, who has been here only a few months, informs us.

In the village, all permanent buildings symbolizing modernity have been destroyed by waves of armed bandits. The roofs have disappeared and the incinerated

walls are riddled with bullet holes. It is difficult to make out the old grade school in the ruins. Every door, every window, every stairway has been systematically torn out.

Picking their way along (there are still mines), a handful of children lead me behind what remains of the school, where a blackboard stands ridiculously in the open air. On it the pupils' drawings illustrate the wave of terror that engulfed the village: buildings in flames, huts destroyed, rifles firing, heads rolling on the ground, a man raping a woman, an eloquent decor. On the upper righthand side of the blackboard is a plane belonging to the MSF, which arrived a few days later.

It is 1600 and time to get back to the plane, which can carry 450 kg under ideal conditions, less if the runway is poor or too short. Some patients need to be taken to the provincial hospital. "It's too heavy," Russel says. Michel and Manu have to choose. There is too much stuff. It is the same problem every day: the load, the eternal load. If they do not leave on this flight, they will have to wait at least two weeks for the next trip. The pilot grumbles, then decides to take everyone. They load the plane to the hilt.

The takeoff is difficult and steep, but successful, even though two mango trees at the end of the runway lose their annual crop! Russel smiles gently as he looks at Michel: "OK, we get through!"

Humanitarian War

Some six to seven million persons are directly in need of international aid in order to survive in Mozambique, and one consequently witnesses an increase in the number of organizations providing assistance to the people. Competition rages and the policy of some is to fight to preserve their own place and defend the interests they represent, whether sound or questionable.

One organization now bans any photos of its projects, accusing another of using them to seek funds in Europe! Jokes or puns circulating at the expense of such organizations bear witness to the profound esteem in which they are held: "Save the Children" becomes "Shave the Children"; "Bio-Force," a French agricultural organization, is turned into "Bio-Farce," and so on.

In this race for international aid, even the Mozambican Government gets into the bidding. Dr. Nicolas Carre, head of teams for Hospital Without Borders, a French nongovernmental organization specializing in hospital construction, just returned to France totally disillusioned by his visit to Mozambique. His project: using EEC aid to build a new hospital in Beira costing several million. At the regional level, dealing with officials from the former commercial capital goes smoothly, but the ministers in Maputo want it bigger, more sophisticated, more expensive. Dr. Carre, who does not have the financial resources he needs for a project of such dimensions, receives this sole response: "Well, if you can't build the hospital we want, go back home. We can find

something better somewhere else!" This in a country where three patients sometimes share the same hospital bed...when there is one!

Or the pseudo orphanage in Pembara run by the American Jesus Alive sect, closely related to the American right wing that finances RENAMO. Here children receive "supervised" religious training. Strangely enough, the organization's trucks are never attacked when travelling on roads abandoned for years because of the reputed danger. When bandits attack the city, they curiously bypass the orphanage and its large food supplies.

RENAMO and South Africa

RENAMO came into existence in 1975-1976. Scarcely had it taken power when the Marxist FRELIMO suffered the attacks of the Rhodesia of Ian Smith, who could not tolerate Mozambican support for the followers of Robert Mugabe, currently president of Zimbabwe. In August 1976, 875 persons were murdered by Rhodesia in reprisal for economic sanctions ordered by the United Nations and applied by Mozambique. The terrorist organization, therefore, emerged from the shadows at the joint prompting of Rhodesia's Central Intelligence Organization and former members of PIDE [International Police for Defense of the State], Salazar's political police. In the bush, the rebel flag bearing the arrows of the antiguerrilla commandos flew.

White soldiers belonging to the Portuguese Liberation Army, General Spínola's extreme right revolutionary movement, mercenaries, and members of the BOSS, the South African Secret Services at the time, trained the rebels, nothing but the best. Former commandos of the Portuguese colonial army joined such FRELIMO dissidents as the late leader Andre Matzangaissa or current RENAMO president Alfonso Dhlakama. The latter escaped from the terrible FRELIMO reeducation camps where they were imprisoned for theft. Most troops are Mozambicans recruited by force, required to choose between being mutilated and tortured to death or murdering a person in their village.

Their technique: raids. Never attacking soldiers directly, but sowing terror among the people: "a way to tell them the official army cannot guarantee their security," and sabotaging or destroying all facilities that might be of some use to the government, then returning to the bush.

When Zimbabwe achieved independence (1980), South Africa, which did not look favorably upon the development of a Marxist, nonracist regime on its borders, took over and equipped a powerful army now estimated at 22,000 men. Pretoria could thus annihilate the growth of a rival equally rich in mining resources. President Banda's Malawi, politically close to and economically dependent on South Africa, then authorized the transit through its territory of RENAMO units it also financed.

Mozambique was an easy target because it was the weakest link of the so-called Frontline countries: Angola,

Botswana, Tanzania, Zambia, and Zimbabwe. Thus, by maintaining the lack of security in Mozambique, the South African Republic made it impossible to carry out the ambitious regional program aimed at reducing those countries' dependency upon it. Indeed, security conditions prevent them from shipping production through Mozambique's ports and force them to use South African railroads and ports.

In the United States, Senators Jesse Helms (Republican) and Bob Dole (Democrat [sic]) want the United States to grant RENAMO aid comparable to that received by the Angolan UNITA [National Union for the Total Independence of Angola], a proposal that will fail due to revelations about RENAMO methods described in the Gersony Report. Nevertheless, RENAMO is well-situated in Washington in the offices of the American right-wing Free the Eagle organization. The American extremist lobby known as the Heritage Foundation gives it financial support, as does Freedom, Incorporated, a group of prosperous conservative businessmen and enemies of communism who admit giving RENAMO thousands of dollars.

On 23 August 1989, a humanitarian and religious organization in Saudi Arabia officially announced it would give RENAMO financial aid amounting to \$500,000 (compared with \$300,000 in 1988) to promote Islam. Financial aid reportedly comes more semi-officially from Israel and East Germany.

Gasoline and Dry Gas

In his very legitimate fight against Portuguese colonialism, Samora Machel received support from a single source: funding from Moscow. The result: a counterproductive Marxism that, putting it in the most charitable light, did no more than worsen the country's difficulties considerably. That African Marxist's total lack of options starved millions of persons and fueled major latent discontent.

On the brink of economic failure worsened by war and a drought that heightened the disaster, in 1984 a bled-white Mozambique signed a nonaggression, good-neighbor pact with South Africa in Incomati. Under the delighted gaze of Pieter Botha, Machel affixed his signature to a veritable swindle. Mozambique pledged to cease aiding the African National Congress (ANC) of South Africa, whose representatives were to leave Mozambique immediately. In exchange, Pretoria would halt aid to RENAMO, which it did not do: Over a year later, documents seized at a rebel base provided proof of the continued supplying of arms!

It is true that the South African Republic supplied the gasoline, matches, and even bellows to get the fire going, but the dry grass was clearly there. From the time of its creation, RENAMO has taken advantage of the government's mistakes and lack of popularity. In 1983, FRELIMO decided to launch "Operation Production." Thousands of "nonproductive" (the unemployed, social dropouts, and so on) persons from Maputo and major

large cities were deported by force to the bush without any infrastructure whatsoever to receive them. Even if in Africa the urban population is still close to its roots, this "reruralization" ended in a bitter failure synonymous, in observers' eyes, with a "recruiting operation" for RENAMO. Another source of discontent: the *aldeias comunais* or "communal, community villages." An "ideal" concept of purely bureaucratic and technocratic "villagization" grouping the people into production units.

Another of FRELIMO's dreams: a "universal Mozambican nation." "We are neither Maconde nor Yao nor Changane, but Mozambicans," claim the official slogans. In a country with 25 languages and some 80 dialects, Portuguese, language of the former oppressor, is imposed on everyone. The official, Portuguese-speaking Mozambique rode roughshod over tribes, traditional chieftainries, religions, and languages for the benefit of the ideal Mozambican subservient to the party!

In this universe of frustration and discontent, little did it matter that RENAMO had no program; it merely had to be identified as the enemy of the FRELIMO party in charge of the established order.

Ernesto, a driver, has the party's organizational chart hanging on the wall of his clay house. And yet, emboldened by a few glasses of the traditional alcohol made from cashews, Ernesto ventures an opinion silently shared by the majority of all Mozambicans: "If the bandits did not pose a constant threat to my wife and children, I would be with them. If they did not directly attack civilians, they would gain my help and that of dozens of my friends," he says, while admitting he hates FRELIMO. "Since they took power, we have not lived as well as we did under the Portuguese, when there was work and food for everyone," he adds, tears in his eyes.

Despite the fact that he does not understand why RENAMO does not try to gain the real support of the people (no one can answer this question in Mozambique), Ernesto admits he always "rejoices at the first victims murdered by RENAMO when it attacks a village: party secretaries, administrators, and other officials of cooperatives who are often unpopular because they abuse their power and often steal money or food."

Benedito S. is a doctor in Sofala Province. An intellectual, he agrees with Ernesto: "For me, despite the horrors perpetrated by RENAMO, it is useful for this kind of countergovernment to exist. Without it, FRELIMO members who are the heroes of the war for independence would now be some kind of all-powerful gods holding the right of life or death over all individuals." Indeed, at the present time, the majority of the members of the government did emerge from the fight against the colonizer, including current president Joaquim Chissano. "I agree with RENAMO, but not with its methods. If our leaders are giving up Marxism-Leninism today, it is undeniably the result of its actions. RENAMO forced FRELIMO to rethink its political line. We can now openly criticize, not the party, but a person in the party who makes

mistakes. It is a shame that with them the slogan is solely destruction, never building or preparing for the future." Benedito refuses to reveal whether he has already been contacted by RENAMO, but he admits he knows the names of prominent persons in the city who work for the armed bandits. Today his only hope is one day to be able to flee to another country and find work.

As for the people starved and victimized by the attacks, they have no political requirements except peace. At any rate, they are convinced of the alliance between RENAMO and hidden forces. It is a well-known fact that the rebels use the power of the *Curandeiro* (healers) and *Festicheiro* (witchdoctors) who traditionally hold medical, political, religious, and psychiatric power to increase the power of the soldiers tenfold and terrorize the people.

Legend has it that RENAMO leader Matsangaissa was reportedly hit point-blank by a machinegun salvo during the attack at Gorongosa mountain, one of the rebels' secret bases, but was not even wounded. It took a rocket from a bazooka to kill him. The person who fired it immediately went insane. RENAMO prisoners say in interviews that before the fighting, witchdoctors gave them a magic potion made from herbs that made them impermeable to bullets, if not invisible! This is why in the villages they are called the Matzanga rebels.

According to accounts, their "state of beggary" is instructive. They usually attack barefoot and in rags and their first reaction is to strip victims of their clothes. Other accounts tell of extremely disciplined soldiers capable of regrouping, attacking, and disappearing with great speed. They are said to be equipped with ultra-modern communications and even SAM-7 air missiles, along with weapons seized in ambushes laid for the Mozambican Army or border soldiers. Other reports bear witness to the multiplicity of the rebel groups.

[1 Feb p 1]

[Text] Back from Mozambique, independent journalist Roger Job today continues and concludes his reportage on that war-torn country, drawing a final analysis based on his experience in the field.

In a context of profound social upheaval, RENAMO obviously does not control (or no longer controls) over 50 percent of the armed bands. In addition to the slow process of emerging from what is (actually) a civil war, outlaws worthy of the Middle Ages wreak havoc, and one had but to inject weapons into a social group in acute crisis in order to ensure the development of a plundering economy.

South Africa is undoubtedly the victim of such practices itself, for it probably no longer controls or has little control over the interplay of forces it both unleashed and promoted. This is why President De Klerk has officially sworn to fight those in South Africa who continue to help RENAMO and, in an incredible reversal, even proposes to help Maputo protect its electric lines and facilities.

Samora Machel died in October 1986 when his presidential airplane crashed for unknown reasons in northern South Africa. It was officially reported to be a crime committed by Pretoria. A few years later, a rumor circulating among intellectuals claimed it was an attack perpetrated by Mozambican liberals because of the failure of Machel's communism. Applying the sacrosanct rule followed in Africa according to which one does not remove a chief but "has him die," FRELIMO thus takes advantage of the martyred chief's notoriety.

The pragmatic and moderate Joaquim Chissano, a former political refugee in France as placid as Machel was exuberant, embodies the country's economic and diplomatic opening. He very quickly recognized it was impossible for Mozambique not to have a dialogue with South Africa. Actually, these relations are perceived as an untouchable misfortune resulting from colonialism. In Mozambique, Pretoria was always considered dangerous because it was racist, not because it was capitalistic! It is one way of justifying in advance the persistence and increase in Mozambique's dependency following the fall of apartheid.

There are those who naively thought they could reduce the country's dependency on Pretoria by reducing traffic through that country and without touching the government's socioeconomic structure. However, they had not foreseen the need to become increasingly integrated into market laws that inexorably bring Mozambique back into the orbit of the country of apartheid. By signing the spectacular Incomati agreement, followed by several secret meetings in Swaziland, Machel's FRELIMO made the long-range choice of rehabilitating the economy by a single solution, capitalism, while stepping up the resulting South African-Mozambican relations.

This normalization with South Africa actually constituted a precondition for Mozambique's acceptance by the IMF and the World Bank. As a logical consequence, Mozambique opened its doors to Western countries starting in 1985.

President Kamuzu Hasting Banda (Malawi), who smelled the change coming (and was threatened with an economic embargo by his friends), agreed in 1988 to give military support to the Mozambican Government by sending some 500 soldiers to provide protection for the Malawi-Nacala Port in Mozambique.

The PRE (economic rehabilitation program), a recovery program based on regenerating profit, privatizing a certain number of services, reducing public deficits, and increasing prices paid to producers, is beginning to bear fruit. It was accompanied by six drastic devaluations of the metical compared with the dollar (a 1,000-percent increase) between January 1987 and March 1989. The Marxist-Leninist ideology was clearly rejected. In other words, by the end of July 1989, the regime in power had taken 12 years to open its party to merchants and businessmen. The party would henceforth support a

mixed economy based on agriculture. The very official TEMPO finally announced the separation of the party and the government.

For the first time officially since the beginning of the war, acting on behalf of the Mozambican Government, the Catholic Church, met with RENAMO officials in Nairobi (Kenya) in August 1989 to discuss conditions for peace. For the first time also, RENAMO gained access to status as an authentic political and military organization while it was seriously in danger of being demoted to the rank of a strictly pirate group. The fact that the preliminary condition for negotiations demanded by RENAMO was "the withdrawal of foreign troops" testifies to a real process of reflection and politicization, like the evolution of targets, which would seem to concentrate on what is urban and statist.

Cahora Bassa: Anesthetized Colossus

Another important element in relations between Mozambique and South Africa: the gigantic Cahora Bassa Dam (twice the size of the Aswan Dam in Egypt). The biggest hydroelectric power facility in Africa, which by itself could supply the energy needed for the economic development of Mozambique and its neighbors from Zaire to South Africa, is operating at less than 10-percent capacity.

Having neither the financial means nor the skilled personnel, Mozambique is incapable of operating this legacy of colonization. The company is managed by the Portuguese Government. In the small neighboring town of Songo on the Zambeze River, nothing betrays the end of the "good old days" of colonization. The Portuguese, still present en masse, still act like colonizers. Nothing has changed for them. The HCB, Cahora Bassa Hydroelectric Power, runs stores for its employees, its own school for white children, and its hospital where, when Mozambicans are admitted at all, health care varies depending on the color of one's skin. Everything, absolutely everything, is marked with the company's initials against an orange background, from the hundreds of vehicles to trash containers along the roads. Curiously enough, almost no soldiers are to be seen here. Practically not even guarded, the dam is never attacked.

Pretoria, so interested in this cheap energy, proposes to "clean" and oversee the 800 km of electric power lines that in Mozambican territory should carry the dam's production to the South African Witwatersand, a line running through areas of difficult access and partially sabotaged (poles knocked down) by RENAMO acting on orders of South Africa itself!

According to one dam engineer, Cahora Bassa was structurally designed to operate with South Africa. Maputo does not use Mozambican electricity, but buys it from South Africa! South Africa holds the key to the proper operation of Cahora Bassa. Was it already in Pieter Botha's pocket when, during his tour of southern Africa in September 1988, he decided to meet for the first time with Joaquim Chissano precisely in Songo, the Cahora Bassa town?

Price of War; Peace Out of Sight?

With this endless war that is leaving Mozambique with a sense of frustration, the country's general situation is declining by the day, despite an anticipated increase of 4.5 percent in the GNP [gross national product] for 1989. With inflation of 50 percent and a foreign debt of over \$4 billion, one has difficulty seeing how the country can emerge from the tunnel, especially since nearly 50 percent of the budget is swallowed up by the war (and "war profiteers").

The ins and outs of independent Mozambique's politics, Western policies quibbling on the country of apartheid, and the blockage of FRELIMO-RENAMO negotiations have helped worsen the fate of 65 percent of the population living in absolute poverty. A majority has but one wish: to escape from this world bordering on a living hell, exemplified by the 100 cadavers taken down in 1989 off electric fences erected by South Africa on its borders to protect itself from illegal emigration!

At the Hotel Polana, the capital's most luxurious facility erected in the purest colonial style, accents, credit cards, and businessmen are for the most part South African. In the gilded lobby, South African Vanda cosmetics try to win over the Mozambican market. Among the few black women married to ministers and blazing with jewels, a majority of dull-witted white South African women, alongside whom Mrs. Bush would be a top model, demonstrate great interest in the line of products. The sales representative, Samora Machel's daughter-in-law in person, comments on the merits of a given cream. Rui, a Mozambican television cameraman doing a story for television news, whispers in my ear in a sadly disillusioned tone: "Probably my country's way of looking to the future."

Whatever FRELIMO's overwhelming responsibilities, Mozambique remains a country that is looted, attacked, and oppressed; a country where, when the sun goes down over the Tropic of Capricorn, children's dreams are peopled with images of horror; a country that needs solidarity not for the party, but to fight aggression, the savagery, the murderous madness.

Mozambique has understood that its future depends on its ability to open other doors to its powerful neighbor than those of RENAMO. Its future will be irremediably South African.

Zambia

*** Bleak Economic Outlook: Debt, Inflation**

34000410B Harare THE SOUTHERN AFRICAN ECONOMIST in English Dec 89-Jan 90 pp 25-26

[Text] Zambia has made a good start with the decontrol of prices. But this is not enough; more needs to be done to halt the economic slide.

Lusaka: When Mr Gibson Chigaga, Zambia's minister of finance and planning, presented his budget to Parliament on 17 November, the press could not help noticing two innovations: there was no printed version until days later—something that had been taken for granted in the past—and the figures refused to add up.

The minister walked straight into an arithmetical swamp when he told Parliament: "I am proposing a total expenditure of 24,672.3 million kwacha (U.S.\$1,319 million)... Out of this 18,706.4 million kwacha is recurrent expenditure and K5,996.4 million kwacha is capital expenditure." These last two figures added up to slightly more than his proposed total expenditure. Nor was that all. The total of the six subheads making up the recurrent expenditure did not come to 18,706.4 million kwacha (U.S.\$1,00 million [as published]); they added up to 19,029.5 million kwacha (U.S.\$1,017 million), a difference of 323.1 million kwacha (U.S.\$17 million) which some might regard as a trifling matter but others would certainly not.

The Zambian parliament raised a storm and the Speaker, Mr Fwanyanga Mulikita, allowed debate. A few days later the President, Dr Kenneth Kaunda, made his government's reaction clear when he told a press conference at State House: "I must complain to Mr Speaker that one error at Government Printers should have led to that fiasco." (He was referring not to the minister's speech but to the debate that followed.)

Reviewing the economy in 1989 Mr Chigaga painted a sombre picture. He said real Gross Domestic Product (GDP) had remained at the 1988 level, with consumption accounting for 89 percent of GDP as against 83 percent in 1988. Export earnings had gone up, from 9,786 million kwacha (U.S.\$518 million) to 13,760 million (U.S.\$736 million), mainly because of better copper prices and a small rise in mining production from 432,524 tonnes in 1988 to an estimated 458,928 tonnes in 1989. The devaluation of the kwacha must also have had quite a lot to do with it, since copper which was sold for the same amount of pounds or dollars translated into considerably more kwacha when received in Zambia.

But imports also went up, from 5,675.1 million kwacha (U.S.\$303 million) to 8,380.2 million kwacha (U.S.\$448 million) because of the currency depreciation. The result was that while there had been some improvement in the trade balance, the current account of the balance of payments worsened because of higher freight charges.

Mr Chigaga said that between January and September the composite consumer price index had risen by 100 percent, but he thought prices were now stabilising. The job situation was not looking any better, with a decline in total formal sector employment from 361,000 to 360,000 over the year. In agriculture, marketed production of maize, the staple crop, fell from 1.38 million tonnes in the 1987/88 agricultural season to 1.2 million tonnes in the last season.

For the coming year the minister hopes that GDP will grow by two percent, which would still not be enough to keep pace with rising population. He aims to keep the budget deficit down to five percent of GDP, and he is counting on higher investment, with priority going to rehabilitation and maintenance. And of course, he wants the inflation rate hauled down from its current dizzy heights.

Last June Zambia took steps, including devaluation and price decontrol, in a bid to arrest its alarming economic decline. The task of organising a recovery, hard enough in itself, is complicated by an enormous foreign debt which by the minister's own count is now nearly U.S.\$7 billion. He told Parliament in his budget address: "The debt problem has assumed such proportions that it cannot be solved by Zambia alone." The question is who else will be ready to help solve it?

The mechanics of what could possibly happen were discussed in the last issue of SOUTHERN AFRICAN ECONOMIST (October/November). But it has to be faced that if the failures of his colleagues in Latin America are anything to go by, Mr Chigaga can expect little help from the creditor community. They should be helping, but in fact what relief they do provide is largely cosmetic. Anything may be more welcome than nothing, but Zambia's problem requires an exceptional effort by its donors and creditors.

Mr Chigaga's strategy must be to get the economy to grow enough for the debt to become a less significant proportion of GDP and for the country to become a more efficient exporter. That won't happen by itself. While the minister does his best to contain the budget deficit he should also move to rid the economy of as many constraints to production as possible. The decontrol of most prices was a start. But the measures taken in June need to be broadened and deepened.

Parastatal managers must be freed from the excessive constraints under which they operate. It is not enough merely to remove price control. Resources of all kinds are in very short supply. A more open, market-oriented system of allocating them to productive sectors is the only way of ensuring that they will be used to best advantage from the point of view of growth. Administrative allocations will not do the trick, even if a technically correct system could be devised—which experience shows that it can't be.

It would be a Herculean task to create meaningful new employment by the variety of administrative measures the minister proposes. The offer of financial and material support to resettlement, which the minister proposes will not, for example, add up to increased employment on its own. A surer way might be to offer those who are already in the business of creating employment some incentives to do more. The moral that stands out from Zambia's distressing economic experience is that the government should try to do less but do it better.

Finally, the informal exports which the minister so fervently hopes for will just not materialise without a substantial readjustment of the price of foreign exchange. Doing nothing or little about this while he takes draconian measures in other areas is equivalent to investing heavily in the training of a marathon runner and then shooting his ankles.

*** Banks Prosper Despite Difficulty, Strain Ahead**

34000410A Harare THE SOUTHERN AFRICAN
ECONOMIST in English Dec 89-Jan 90 pp 16-17

[Text] Growth and development of banking and finance in Zambia in recent years can only be described as spectacular. New banks have mushroomed. New investment institutions have been created and a new range of adventurous financial activities is being offered to local and international investors, entrepreneurs, and (no doubt) speculators. All this despite Zambia's widely acknowledged economic decline, its shrinking foreign reserves and growing debt, its rampant inflation, and—until a sharp credit squeeze was imposed at the end of June—its out-of-control money supply. What is happening and how has it happened?

Localised banking in Zambia, as opposed to purely branch operations of major international banks, started about 1970 when an attempt by the Zambian Government to apply the 51 percent ownership formula to the foreign-owned banks—as had been done in the case of major commercial and industrial companies under the Mulungushi reforms of 1968 and in the mines in 1969—failed. The main reason for that failure at the time was that the internationally linked branch structure made parastatal acquisition well-nigh impossible. A revised Banking Act requiring local incorporation quickly followed.

For several years Standard, Barclays and Grindlays waited in trepidation for the nationalisation axe to fall. But the Zambia Industrial and Mining Corporation, the wholly government owned conglomerate which would have been the ultimate owner of a state share in the banks, had its hands full by then. It was left to Netherlands Bank to put its head on the block and volunteer its Zambian subsidiary to form the basis for the Zambia National Commercial Bank, the new wholly-owned government commercial bank.

Standard Chartered Bank of Zambia went one structural step forward by offering 10 percent of its shares to the Zambian public. But after that banking languished—though profitably, with the field dominated by the top established banks. A decade later, a metamorphosis began. It is ironic, but not accidental, that the new banking era coincided with the start of Zambia's real economic woes, which themselves stemmed partly from global banking policies as well as from some of the actions of the Bank of Zambia (BOZ) itself.

Following the oil price shocks, first of 1973 and then of 1979, and the copper price crash of 1974, Zambia's trade payment arrears mounted and the iniquitous "pipeline"

of money which was entitled to be externalised but was waiting patiently in a queue to be let out, grew progressively until it was unmanageable. That was bad news for the holders of the money in the pipeline. But it brought banking opportunities galore. Initially, the vast amount of kwacha which were the counterpart of the hard currency arrears were held by the local commercial banks for many months, even years, with little or no interest accruing. Later the BOZ woke up to the situation and called for the funds to be deposited with it.

Intense pressure from the International Monetary Fund, the World Bank and institutional creditors brought a number of international merchant banks to provide advice, and ultimately, in 1985, a scheme was devised for dismantling the pipeline. The postponement, or more correctly the abandonment, of the pipeline dismantling proposals at the end of 1986 heralded a new wave of banking options. Notable among them were the various discounting arrangements, which purported to clear pipeline claims against new investment funds and export retention monies, at very heavy discounts, while rendering the kwacha funds thus released eligible for BOZ "top-up" support at the then going official dollar exchange rate.

All this financial activity provided substantial opportunities for some bankers and spawned a new progeny, first of all of new commercial banks and later, when the runaway money supply and inflation started to worry kwacha depositors, of new investment entities providing "inflation hedging" property, pension funds and trusts.

Remarkably, so far the new banks and institutions have survived and even expanded, at least as measured in terms of steadily depreciating kwacha. Though largely born out of turmoil and still precariously vulnerable to changes in policy or other fresh developments in the highly volatile Zambian economic environment, the newcomers are busy learning the game, acquiring modern high-technology experience and slowly maturing in their banking acumen.

In the end it will no doubt be the survival of the fittest. But with hopes of a stock exchange stirring, and if some of the banking newcomers join Standard Chartered by going public and introducing individual Zambian shareholders, the prospects could be for yet more exciting times ahead for Zambia's banking community.

At the time of writing the banks are facing what will almost certainly be their stiffest challenge to date. Included in the new package of economic measures announced by President Kaunda on 30 June was a credit squeeze of quite exceptional severity. Among other requirements, the statutory reserves that the commercial banks are obliged to keep with the BOZ have been increased from 30 to 35 percent of their demand deposits. These carry no interest.

Even more drastically, the requirement for the proportion of total (demand and time) deposits that the banks have to hold in the form of liquid assets—which essentially means Treasury bills, because no others exist

except cash—has been raised from 44 to 55 percent. This, in blunt terms, means that of the money they take in from depositors, on much of which they have to pay interest, the banks can only lend 45 percent to customers; of the rest, 26 percent has to be held in cash and 29 percent in Treasury bills, currently yielding a return of 28.5 percent. But the maximum lending rate itself has been set at 35 percent (33 percent for agricultural loans).

This is clearly going to put a tremendous strain on the profitability of the banks. In fact it is hard to see how some of them will manage. It will also place a heavy onus on the BOZ to police the new requirements: otherwise it could well be the case that a bank could struggle on for a while, in breach of the requirements, and might easily find itself insolvent. All in all, interesting times ahead for Zambia's ebullient banking sector.

Benin

* Paper Supports National Conference for Reforms

90EF0283A Cotonou LA GAZETTE DU GOLFE
(EDITION INTERNATIONALE)
in French 1-15 Feb 90 p 2

[Article by Ismael Y. Soumanou: "What If Benin Provided a Model?"]

[Text] What got into the Beninese all last year? From month one to December 1989, protest fever was of great concern to both the governing and the governed. As the weeks went by, all the socioprofessional groups accounted for in the national budget championed the regular payment of wages; the respect of the fundamental freedoms, freedom of thought, freedom of association, freedom of assembly; human rights; the release of political prisoners; the establishment of a climate of peace for democratic renewal; courageous reforms; the establishment of new institutions; and so forth and so on.

The year 1989 will have seen upheavals of every kind never before witnessed under the 26 October 1972 revolution. What moves! What maneuvering! What on-upmanship! Antigovernment, anti-PRPB [People's Revolution Party of Benin] demonstrations took root in January in student and teacher circles and continued in Porto-Novo, Abomey, Lokossa, and Cotonou. These disturbances occurred against a background of social crisis aggravated by the very turbulent international economic situation. President Kerekou, the members of government, and certain public figures initiated or presided over various negotiations. From one attempt to another and one dialogue to another, commitments made at various junctures were met with dithering, inaction, and the systematic refusal to move forward. In addition to the regular payment of wages and the payment of back pay, labor representatives of the various public services added demands of a political nature in their discussions with the government.

With sadness and concern, we have all witnessed the first nonschool year since the founding of the country. What progress have we made on implementing the structural adjustment program signed with the International Monetary Fund? Have we taken the first steps towards the much-desired restructuring? Where are we really headed? How can we break the vicious cycle? The many answers to these questions are contained in the communique published by the Government of Benin on 7 December 1989. The adopted reforms are commensurate with the readiness of the people to accept the establishment of democracy. This package of political changes to be implemented in Benin between now and the year 2000 includes the separation of party and state for the purpose of improving public administration, the establishment of the office of prime minister whose occupant will be the head of government, and the convening of a national conference during the first quarter

of 1990, which will bring together the living strength of the nation. On 7 December, the swing towards democratic renewal was consummated, and the most decisive turning points that we Beninese must conquer require of all of us—governing and governed alike—patience, tolerance, moderation, nobility of soul, and an open mind. The 29 July 1989 amnesty must be observed and respected. The fundamental freedoms must be adored and guaranteed. The authority of the state must be consolidated. The national conference must receive universal acceptance, and we must all help in preparing it.

Yes, despite the historic compromise extracted from the government through the courage of the Beninese people, some see behind these changes—which they nevertheless wanted—another PRPB maneuver to stay in power longer. National conference fever has seized us all. It must seize the men and women of Benin positively. The national conference is the major event awaited both here in Benin and abroad. It will be the work of each and every one of us, whether teacher or farmer, lawyer or carpenter, reporter or shopkeeper, soldier or financier.

Our country's current fragile position requires from all of us an ardent willingness to protect the peace and tranquility to which we Beninese are so partial. It would be a fatal mistake to cause the failure of the national conference at a time when all Beninese are experiencing a great need for wide-reaching cooperation in considering the institutional and political future of their country. We must all learn to conform to the democratic spirit. What fighting for true democracy really means is having the courage to state the nation's problems clearly and openly, to say things the way they should be, to respect openness, and to avoid violence. Violence never brings lasting results. It never has, anywhere in the world. The democracy that we all sincerely desire forbids the use of dark paths, secret operations, bloody confrontations, terror, brutality, and physical cruelty. It is synonymous with light, learning, ambition for one's country, the defense of human values, tolerance, difference, and nobility of soul. We all need this if we are to pull Benin from the economic chaos into which its sons have plunged it. It is no secret to anyone that, historically, clear-sighted men have been able to impose courageous solutions and to follow the path of democracy. Why choose violence, the daughter of confrontations and pogroms of all kinds? The hope is that no one in Benin will choose the unending cycle of carnage. The coming weeks will provide lessons or points of reference for all those in the world who are watching us and who deeply aspire to the ideals of democracy. Benin can serve as a model for all the countries of Africa, Asia, Europe, and America that are taking the noble path: the path to democracy. We have no right to disappoint our friends or even our enemies.

For Benin, 1989 was, more than ever, a year of great ordeal. Already, 1990 is synonymous with freedom of speech, freedom of association, freedom of the press, and the respect of human rights. The changes to be made should become law under the best possible conditions.

The much-desired democratic renewal will, of course, be decided by the men and women of Benin at the national conference.

*** Paper Backs Emerging Multipartism, Democracy**

90EF0283B Cotonou LA GAZETTE DU GOLFE
(EDITION INTERNATIONALE)
in French 16-28 Feb 90 p 2

[Article by Ismael Y. Soumanou: "For What Kind of Democracy?"]

[Text] Benin is living through an era of major turning points never before experienced in the evolution of mentalities and the history of its development. Spurred by economic bankruptcy and social chaos, African leaders are rediscovering the fundamental values of democracy. The great upheavals that have occurred in Europe and the East in recent months have opened the way to daily debate between the governing and the governed concerning the respect of human rights, freedom of speech, freedom of association, freedom of assembly, and social justice. In Benin, the changes in our future require the awareness of all, whether from the north or the south, the east or the west. The task at hand is to prepare, to organize, and to hold the national conference, which, from 19 to 24 February, will bring together 488 Beninese men and women who, setting absurdities aside, are to give dispassionate, unprejudiced, broadminded consideration to the institutional, economic, social, cultural, and political future of the country. Oh, what a hard task awaits these young men and women!

Meeting at a time of difficult, painful, and unhealthy crises, they must surpass themselves in demanding national unity, especially the unity of all the sons of Benin. Demanding unity means, first of all, that they must accept it and work faithfully and seriously at all times to obtain it in the actions and behavior of all. The democracy to which all Beninese aspire is one that forcefully combats the very burdensome regionalism called for in the childish demonstrations of recent weeks. It combats sectarianism, the source of so many ills and reactionary attitudes already peddled a thousand times by this group and that. It combats ethnicism, the father of absurd micronationalism. It combats lying, which has long been incarnated by the exercise of power that some dignitaries have dishonestly and fearlessly used, without respect for the people, to plunder the nation's capital through worthless projects that bear little potential for renewal.

The democracy that Beninese ardently desire at this time of historical change is one that imposes common sense and the respect of the individual, public resources, and the institutions democratically chosen and established by the people. It is a democracy founded on the "exercise of the power of the people by the people and in the highest interests of the people." However, the will of the

people is often carried out by groups of intellectuals who speak in the name of the people and impose enormous sacrifices on everyone, both those who hold and exercise power and those who are subject to the erring ways, scorn for human rights, lies, social injustice, humiliation, dirty tricks, and other sinister practices of the "reigning princes."

Thus, democracy is precious to all of us and should be seen as a political system requiring tolerance, nobility of soul, and a fervent desire for the success of the state, the survival of whose institutions is the business of young people, women, men, and the old. It cannot be the business only of a small group of intellectuals, however erudite, or of a women's or men's association, religious sects or groups, or a clan of marabouts or businessmen. Democracy calls for openness and the respect of the nation's resources, which but strengthen it each day. Unnatural alliances that are hastily achieved to reach a single goal motivated by self-interest and that recall old times forever past should cause us to reflect anew over the dark days and the frenetic, shocking history of political life in Benin if we wish to avoid the ills, mistakes, and other serious blows to the dignity of the citizens and social progress.

The democratic ideal now working in the minds of all Beninese also requires us to cultivate political maturity in the constant search for real solutions to the real difficulties of the day. Violence has never built nations or national unity. It is true that, as former OAU [Organization of African Unity] Secretary-General Edem Kodjo has reminded us, the choice between the path of violence and the path of peace lies mostly with the governing. When the stubbornness of a Ceausescu is preferred over the flexibility of a Jaruzelski, the way is objectively prepared for armed revolution. [source text missing] prepares the way for bloody confrontation and slaughter (...). We reject this! Violence [source text missing] completely of the democratic system that the Beninese people will choose for the much desired democratic renewal through their delegates to the national conference. Edem Kodjo goes further: "Fighting for democracy supposes that we have the courage to state problems openly and to lay our cards on the table rather than to use devious means that are ultimately antithetical to democratic debate." Pluralism in the ideas expressed by Beninese is synonymous with the hope they nourish of democratic renewal. Democracy also means respecting the ideas of others.

During the course of a televised discussion, the chairman of the preparatory committee of the national conference revealed that the documents received from political movements and organizations, associations, and public figures indicate that the vast majority of Beninese have expressed the desire to see a multipartisan system within the framework of a respectable democracy. We will know very soon if the national conference concurs in this choice. Meanwhile, let us fight for the renewal of peace, love, patriotism (real patriotism, that is), progress, and social happiness.

Nigeria

* Babangida's Trip to France To Cement Ties

90EF0276A Paris LE MONDE
in French 25-26 Feb 90 pp 1, 4

[Article by Jean de la Gueriviere, special correspondent:
"Nigeria In Search of Friends"]

[Text] On a visit to France, President Babangida hopes to gain Paris's support for debt rescheduling....

Lagos—General Ibrahim Babangida will be on an official visit to France from Monday 26 February to Thursday 1 March, the first such visit by a Nigerian president since the country became independent. It will be a meeting of two "giants." Nigeria—with a population larger than all of French-speaking Africa combined and oil resources that have made it the 11th largest producer in the world—feels it is the only country in southern Africa that really counts, except for South Africa, of course.

France, with its military bases, its defense agreements, and the influence it still has over its cash-poor former colonies, to the Nigerians seems to be the only country that still has a policy in Africa, a fact that both irritates and interests them.

After 1960, when the largest West African state under British rule became independent, relations with Paris took an acrimonious turn. In January 1961, Lagos recalled its first ambassador to Paris to protest nuclear testing in the Sahara, which it viewed as an "expression of France's complete indifference toward Africans."

Relations between the two states were eventually normalized in 1965, but De Gaulle never forgot the original insult.

In 1969 the French Government, without going so far as to grant official recognition to secessionist Biafra, nevertheless, observed that its inhabitants had the right to "determine their own destiny." It was not until the spring of 1978, during Giscard d'Estaing's presidency, that diplomatic relations thawed somewhat, although French manufacturers had long been keenly interested in this country, which by 1974 had become OPEC's fifth-largest producer.

Polite speeches aside, money will be the real issue in General Babangida's visit. Several days ago at the Lagos Motor Boat Club—one of the few spots where the air is breathable in this capital city of 8 million people, which may soon be the most polluted city in the world—members of the Franco-Nigerian Chamber of Commerce distributed to selected journalists, in advance of the visit, calling cards bearing the names of several internationally known firms: Fougerolle, Bureau Veritas, Office General de l'Air, Air Liquide, Michelin, Peugeot, Spie-Batignolles, BNP, etc.

During the oil boom in the early 1980's, about a hundred French manufacturing groups were involved in efforts to bring industry and infrastructure to the African "giant," and everyone was offering credit. Now that COFACE [French Foreign Trade Insurance Company] is no longer making loan guarantees because of past deals gone sour, only 2,700 Frenchmen are on the scene, compared with 11,000 in 1983; but businessmen are still hopeful. Despite the innumerable difficulties of daily life, crime, and corruption, several dozen large French firms believe it is worth hanging on in Nigeria, so they will be in a good position when Nigeria emerges reinvigorated from its painful structural adjustment program (see LE MONDE of 16 February).

Expectations of French Businessmen

French expatriates expect Mr Babangida's short visit—"official," but not a "state" visit—will accomplish a great deal; they even have hopes that improvement in political ties will lead to new contracts. In interviews with journalists, Deputy Foreign Minister Eyoma did not close the door on such possibilities. "Several accords may be signed, which would improve our bilateral trade and economic activity," he said. "Also, we will explore all the ways to increase French investment in Nigeria. In addition, the visit will give us an opportunity to express our views on debt, the 1992 unified European market, and developments in Eastern Europe and South Africa."

Gen. Babangida's main objective is to win French support for a Paris Club debt rescheduling, in absence of which loans will go into default this year.

Although its economic performance is no better than that of the French-speaking African states, Nigeria has a certain superiority complex and will try to get maximum mileage out of the fact that its large population makes it the only sizable market in the region. It remains to be seen whether Treasury, which sent a mission in advance of the official visit, is impressed by the argument.

An earlier visit planned by Gen. Babangida was cancelled at the last minute in June 1989 due to an outbreak of protests against the high cost of living; many people in several large cities were killed. The army shot people on sight to prevent any widening of disorders that might jeopardize implementation of the structural adjustment policy (marked by paltry wage increases at a time last year when inflation was running at 47 percent) or the process of "gradual return to civilian rule."

"We are a military democracy," says Air Force General Nurudeen Imam, the minister of energy, mines, and steel. With a kepi perched on his head and muscles bulging under his uniform, he is typical of the military men Gen. Babangida brought to power in 1985 after a series of coups.

The current head of state is a Muslim who was born in 1941. At age 21 he entered the army, where he rose rapidly in rank. He is the father of three children and the

author of several sober works, including "Civilian-Military Relations: The Nigerian Experience," which appeared in 1979. Babangida has promised to turn the government back over to civilian politicians by 1992. A year ago a constitution for the future Third Republic was adopted. A calendar was drawn up for the transition, which is to be capped by legislative elections, a handover of power to the National Assembly, and presidential elections.

Religious Tensions

"Next month, every Nigerian will be able to join the party of his choice," promises Mr. Aliyu Mohammed, who as secretary of the presidency occupies a position analogous to prime minister. Last year the authorities believed the 13 political associations that stood to profit from the lifting of the ban against parties were going to lead the country to ruin, because they were once again a mirror image of the traditional ethnic cleavages. At last, with some financial support from the state, two groups emerged: a Social Democratic Party, reputedly "center-left," and a Republican National Convention with a "center-right" orientation.

It remains to be seen whether this engineered reconstruction of the political landscape will be able to stand up against other forces that are more deeply embedded in people's hearts and minds, especially the force of religion. Until the national census is taken in 1991, no one can be quite sure of the size or makeup of Nigeria's population. According to one estimate, the population in 1988 was 113 million, 60 percent of whom belonged to the largest three ethnic groups: Hausas in the north, Yorubas in the southwest, Ibos in the southeast, with about 20 other ethnic groups making up the remainder.

In 1980, according to an estimate based on an old census, 45 percent of the population was Muslim, 38.5 percent Christian, and 16.5 percent animist. Despite the moderating role often played by the native chieftains, who the English had wisely left in place, religious zealotry must be taken into account. Islam is on the move and, at least at the university, quite militant.

In January Gen. Babangida had to decline official visits to the United States and Italy because of unrest among Christians sparked by personnel reassignments in the army and government. Peaceful demonstrations took place following a statement by the Catholic archbishop of the city of Kaduna that the government was biased "openly as well as secretly" in favor of Islam.

Despite assertions by the authorities of Lagos's keen interest in its French-speaking neighbors, the Nigerian press prints scarcely any international news. But at least, with its sensationalist headlines, it writes quite freely about the domestic scene. On 16 February the local GUARDIAN reported the arrest of 78 people in the wake of religious disturbances that began in the north with a parade of young Muslims at the time of a solar eclipse. A woman was burned alive in front of a hotel.

With or without political pluralism, such incidents will probably remain a part of the local scene for some time to come despite the appeals for calm issued by Gen. Babangida, who said in January: "There is no north, no south, there are no Christians and no Muslims; there is only one state and one nation."

Senegal

* Wade's Political Return Criticized, Applauded

* Annual Arrival Poses Questions

34190087A Dakar WAL FADJRI
in French 9-16 Feb 90 p 3

[Commentary by Tidiane Kasse: "Wade's Return: the Master's Road"; first paragraph is WAL FADJRI introduction]

[Text] Wade's returns both follow and resemble one another, we are tempted to say on the eve of the Senegalese Democratic Party's [PDS] leader's arrival. Will he still know how to come out on top?

There will undoubtedly be a difference between this return and "the other return." Even if it occurs within one month (March) of Mr. Wade's return from his trip abroad in 1989 and even if this arrival comes just before the Socialist Party's congress and even if at last (?) this return to the fold occurs at a time when there is unrest in the schools and to a lesser extent at the university. The magic of triumphal returns is based on something other than marks on a calendar. The "president" is coming back to us but this is undoubtedly not the man whose motorcade was mobbed by tens of thousands of Senegalese one year ago. And what of "SOP!" Nowadays we tend to think of the newspaper, which seems to be at the forefront of the antigovernment struggle, rather than of the political rallying signs. The evidence stops there. That is to say, it stops short of the ecstatic relationship the leader of the Senegalese Democratic Party (PDS) is able to maintain with the masses, this magnetism whose effects cannot be predicted.

Along the way, the heritage from February 1988 got watered down in political convulsions. There has been division within the "Sopi" [members of PDS] movement and the Party for Independence and Labor (PIT) has been excluded; but above all, the offensive on the ground has slowed down. To be sure, it is difficult to be in a permanent state of mobilization, but once again we saw Mr. Wade leave, taking with him a good share of his party's vital forces. Oh no, PDS headquarters emphasizes. And, as Marcel Bassene, the party's number-three leader, put it on these pages (issue 196), the situation we currently face is in no way comparable to the situation in 1988-89, after the elections, when work had to be undertaken to inform and explain matters to people following the failures of negotiations with the government as well as of the national round table. We remember that at that time the PDS had shown us a new face, fanning out

across the country, setting up rally after rally. Between September and December, 107 had taken place in the space of 225 days. That made for an average of one rally every two days. And the logical outcome of this was the tremendous welcome that greeted Mr. Wade in early March 1989 upon his return from France.

Sought After Effect

This time the job of occupying the ground has yielded to a badgering strategy basically aimed at those who are the incarnations of the government, to wit, Jean Collin and Abdou Diouf, thus minimizing the political structure of the government that is the Socialist Party. For this effort the newspaper SOPI has been the spearhead as it heaped denunciation on top of scandal for a series of trials that still put Senegalese political life under the sign of an unavoidable bipolarity between the PDS and the government. We may have been offended by the way in which freedom of the press was used and abused as well as by arguments, which did not put our political debate on a high plane, but the sought after effect is still there. The strategy is deliberate and thought out, as Ousmane Ngom made clear in SOPI. And it is doubtless not a strategy of the moment designed to cover up Mr. Wade's absence. Because we remember that it was he who fired the first shots with his accusations, according to which Jean Collin was a triple secret agent working for France, the United States, and the Soviet Union.

So Mr. Wade returns to find the iron hotter than it was when he began to strike, in the midst of the flood of SOPI trials, all of which await their epilogues of suspended sentences. His presence will undoubtedly lend another dimension to some "affairs."

Fed Up

This is the PDS's strong and weak point. In the almost total identification of the party with its leader. For its militants as well as for hundreds of thousands of sympathizers who thrilled to the "Sopi" call. What good is political canvassing, what good are compromises and surrenders when today the desire for change is identified with one man rather than with political dialogue? If the government has managed to remain in one piece thus far while economic apocalypse was being promised at every turn, the same conflicts, generated by the crisis, are still there, and the fed-up feelings of the Senegalese are waiting to be milked. And, as an embarrassing coincidence for the government, the PDS leader will return to find schoolchildren in the streets and partial crises smoldering, as usual, at the university, which a tiny spark could turn into a general conflagration.

Mr. Wade is also returning (as he did in 1989) on the eve of the Socialist Party's congress, which is the logical outcome of last year's, which dealt with the dynamics of openness and reform. Today's Socialist Party is undoubtedly somewhat more solidly based and removed from the turmoil that had led it to doubt itself. Is it this assurance that has given rise to the concept of the

"openness-merger" of which Babacar Sine has spoken? The Socialist Party is thus "attempting to bring together rather than develop a unity of action or even to engage in what is called nowadays 'democratic dialogue'" (because) "bringing together has historically always meant that the party undertook to absorb or, mainly and above all else, to merge." It does not seem that the facts were as "historic" one year ago at the congress, which took place 4-5 March 1988. The fact still remains that a solution for emerging from the crisis is to be found in a less restrictive and constrictive political ecumenicism and in an openness that perforce includes the PDS.

What will Wade's positions be on this matter? At its congress, how will the Democratic League-Movement for the Labor Party (LD-MPT) assess the road it has walked with the PDS, one which not escape creating some turbulence in the party (Babacar Sane's departure)? What lessons will the PIT draw from the dialogue it initiated with the Socialist Party, which dragged on for a long time before producing anything concrete? All these are questions that should refuel a political debate that even the laws to restrict democratic freedoms voted on last October by the National Assembly could not pull out of the rut. Because having Wade around is not the same thing as being without Wade.

Reform and openness-A contribution to the debate. See LE SOLEIL for 6 January.

*** Socialist Party, Opposition Hit**

34190087B Dakar SUD HEBDO
in French 15 Feb 90 pp 1, 3

[Commentary by Demba Ndiaye: "The Government and the Opposition: Civilizing the Relationships"]

[Text] At a time when the country was experiencing an increase in social tensions (school strikes and multiple trials involving SOPI), was it genuinely the right moment to declare a state of siege in Dakar and the surrounding area? Does this massive law enforcement display at every street corner not help inflame spirits, which were already fairly inflamed? If you had wanted to advertise for your adversary, you would not have gone about it any other way. These political gaffes keep getting repeated too often for some people not to see in them a deliberate willingness to keep the country in a state of permanent crisis. As if the ultraconservatism characteristic of the country during the past two years had not sufficiently disturbed all activities. Did Mr. Abdoulaye Wade's return to the fold require unleashing a course of violence it would be difficult to control? Does the "threat to public order" sanction the systematic banning of the exercise of democratic freedoms? Preventing Mr. Wade from using the VIP lounge and not allowing deputies Ousmane Ngom and Boubacar Sall onto the runway smacks of that basic ostracism, which marks certain parts of the government that are incapable of freeing themselves of single-party habits.

And, courageously, there was an attempted blackout on all these breaches of freedoms, with threats and a manhandling of the press, with martial admonitions to "move on" and warnings that "this is not allowed." When will they understand that the press is not and will not be a second banana that gets trotted out as needed when the government's democratic speeches need sanctioning and that the government tries to muzzle when it tries to report on practices that give lie to the government's professions of faith? The two things are inseparable. But unfortunately, in a country where there is no competition for cleverness, the government does not have the monopoly on slipups and evasions. If Mr. Wade aspires to a seat on the supreme court, that is his right; if he wants to enjoy the rights that the constitution grants him, that should be all there is to that story. But his permanent guerrilla strategy, punctuated by attention getting about-faces, is beginning to be tiresome. Things are happening as if, by his own whim, he were deciding to unleash a mad bullfight whose aim was to force the government into negotiating by drawing upon popular discontent. Now, after having laid claim to the presidency, here he is giving up on it in favor of new elections with, as needed, a "transition authority." Since this transition is nonnegotiable, the worst-case strategy would prevail. And presumably this worst case would benefit neither Diouf nor Wade nor the Senegalese people.

By what right are they playing on people's frustrations and aspirations? Is there not in all of this something cynical or even a morbid suicidal tendency? Does the undeniable importance he and his party have in the nation's political life sanction all this drifting and haphazardness whose outcome is uncertain? The government's mistaken ways do not justify all the means of a political struggle. That is why it would be healthy for everyone, the government and the opposition, to soften their attitudes and put an end to their practices of systematic confrontations. In other words, relationships in the Senegalese political environment must be "civilized." For some this will mean abandoning the exclusive "it's-us-forever" concept, while for others it will mean abandoning the appeal of power "at any price." The country's higher interest and its future are well worth these "sacrifices" dictated by reason. Otherwise, it will mean we are still stuck in the mud. We have been wading in the "muck" since February 1988.

* PDS Calls for Elections

34190087C Dakar Sopi in French 9 Feb 90 p 2

[Resolution adopted by the Policy Committee of the Senegalese Democratic Party (PDS) at its meeting in Dakar on Saturday, 3 February 1990]

[Text] The Policy Committee of the Senegalese Democratic Party, PDS, met on Saturday, 3 February 1990 at the party's national headquarters on Boulevard Dial Diop in Dakar. Brother Boubacar Sall, the interim secretary general, presiding.

After first broadly reviewing the national and international situation, and having engaged in broad and fruitful debate, the Policy Committee adopted the following resolution:

In the face of the continued deterioration of the country's situation since the fraudulent elections of 28 February 1988, a deterioration that has fully impacted on all sectors that currently find themselves in a lamentable situation marked by:

An economic recession, with the closing of many companies leading to the layoffs of thousands of family men and an increase in youth unemployment, which was already endemic.

Financial insolvency, with a public debt which is more than 1,000 billion [CFA—African Financial Community francs] greater than the gross national product (GNP), and a collapse of the banking system, which has fallen apart in whole sections.

Unprecedented stagnation in the countryside despite good rainfall, with farmers unable to sell their crops for want of credit, because the banking consortium that customarily financed the agricultural effort refused to do so this year, which sped up the country-city exodus and led directly to the increase in the number of poor people in the cities, Dakar in particular.

An explosive situation in the schools and at the university, with the government failing to respect its promises to students and teachers.

A social situation that is just as tense, given the dilapidation of our health system (hospitals and dispensaries completely without equipment and drugs and inadequate medical staff) and the high cost of living, with its repetitious secret hikes in the prices of basic necessities.

To these facts should be added the state of war currently prevailing at our northern and southern borders, which arises from disputes pitting us against Mauritania and Guinea Bissau.

In the face of a situation full of so many dangers and even of perils to the entire nation, the Policy Committee of the PDS solemnly reaffirms the overwhelming necessity of abiding by the popular will and calls for the immediate planning of free and democratic elections so as to create the conditions for a national consensus, which is the only thing that can cope with the threats that loom for our country from every direction.

The Policy Committee exhorts the entire population to be unceasingly mobilized to see to the carrying out of this demand, which can no longer be put off [in the interests of] public safety and national concord.

Having been informed by Brother Boubacar Sall of the return to Senegal on Saturday, 10 February 1990 of Mr. Abdoulaye Wade, the national secretary general, the Policy Committee expressed great pleasure at the news, which had been impatiently awaited by Sopi [PDS

members?] militants both male and female and, above and beyond them, by the great majority of Senegalese for whom Abdoulaye Wade now represents the last hope of rescuing the country from the sorry state into which the Diouf/Collin government has plunged it for what will soon be one decade.

The Policy Committee also took note of the schedule of demonstrations expected to mark the second anniversary of the February 1988 electoral coup d'etat and asks that all militants both male and female mobilize en masse to turn the events of these days into occasions for intensive action with a view toward the triumph in Senegal of undisputed universal suffrage.

The Policy Committee asks that its sections and federations scrupulously abide by the party's directives, which will be sent to them on this issue.

Finally, surveying the international situation, the Policy Committee looked, in particular, at recent events in Eastern Europe and the imminent release of Nelson Mandela.

The Committee was extremely pleased with these significant advances and fortunate opportunities for the liberation of peoples and affirmed its conviction that Africa will no longer be able to stay out of the winds of change and democratization currently sweeping the world.

Issued in Dakar, 3 February 1990.

The Policy Committee

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